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I. ORGANIZATIONAL MATTERS

1. The President, H. E. Mr. Asda Jayanama (Thailand), opened the meeting. He noted that the session was being held only two months after the special funding meeting that had taken place on 15 April. That meeting had underlined not only the very positive work of UNDP in many programme countries but also the need for a much more positive commitment to building up core resources by donors to UNDP. The increased support of many donor members of the Development Assistance Committee and programme countries was inspiring. The efforts of UNDP and UNFPA to increase on a continuing basis the efficiency and effectiveness of their operations was notable, and it was hoped that those efforts would be rewarded with renewed support to core contributions.

2. The President congratulated the Administrator-designate of UNDP, Mr. Mark Malloch Brown, on his appointment and looked forward to working with him when he began his term of office on 1 July.

3. He noted that since the second regular session, the Bureau had held three meetings, on 23 April, 25 May, and 14 June. Topics covered included the preparations for the annual session and informal meetings of the Executive Board held before and during the annual session, the second field visit to Bulgaria and Georgia, and preparations for the third regular session 1999, including the Board' s work plan for 2000. On 26 April, at the invitation of the President of the Economic and Social Council, the Bureau of the Executive Board had met with the Bureau of the Council in a joint meeting, with the aim of enhancing the discussion on operational activities at the substantive session of the Council. That meeting had been part of a series of meetings held between the Bureau of the Council and the bureaux of the funds and programmes. Topics covered at that meeting included the coordination role of the Council, follow-up to the reports to the Council of UNDP and UNFPA, and the outcome of the second regular session, including the funding meeting.

4. He noted that meetings would begin on time and that delegations should limit their statements to the essential points in order to ensure a productive dialogue.

Agenda and work plan

5. The Secretary of the Executive Board elaborated the elements contained in document DP/1999/L.3/Rev.1, which contained the provisional agenda, annotations, list of documents and work plan for the session. She noted that a typographical error was contained in the work plan with reference to the report of the Executive Director of UNFPA which was for 1998, not 1999 as shown. The documents for the session were all issued in the official languages and had been posted in advance copy on the Executive Board Secretariat website as available, most six weeks before the session.

6. A revised work plan had been distributed, and included the list of informal meetings. The informal meetings included: a briefing on UNDP activities in post-conflict situations in the Eastern and Central European and Commonwealth of Independent States region; briefings on UNDP assistance to the Indonesian elections and on the subregional Arab States workshop on human rights

and sustainable human development; a briefing on the UNDP book: Global Public Goods: International Cooperation in the 21st Century; a World Bank/UNDP briefing on development frameworks and trust funds; a dialogue with non-governmental organizations; and a presentation by the project team and UNDP Mali on the "multifunctional platform". A special event on "Developing the private sector in Africa: the role of UNDP" was scheduled for 18 June.

7. Information notes by UNDP on the follow-up to Hurricane Mitch and on Y2K compliance were available to Executive Board members. Financial highlights of UNDP were also available in anticipation of the review of the financial situation at the third regular session 1999.

8. The Secretary noted that the report of the second regular session 1999 (DP/1999/13) was not yet available in languages and therefore it was proposed that its formal adoption be postponed to the third regular session 1999.

9. The Executive Board approved the agenda and work plan for its annual session 1999 (DP/1999/L.3/Rev.1) as orally amended.

10. The Executive Board agreed to the following schedule of future sessions of the Executive Board in 1999 and 2000, subject to the approval of the Committee on Conferences:

Third regular session 1999:	13-17 September 1999
First regular session 2000:	24-28 January 2000
Second regular session 2000:	3-7 April 2000
Annual session 2000:	13-23 June 2000 (Geneva)
Third regular session 2000:	11-15 September 2000

11. One delegation, supported by another, raised the issue of the venue of the annual session 2000, stating that the benefits as well as the disadvantages of holding the meeting in Geneva versus New York should be examined. The speaker requested that the topic be addressed at the third regular session 1999. Some other delegations opposed raising the subject again, stating that it had already been discussed in the past. One speaker called for a cost analysis for both options. Others stated that it was a surprise that the issue had been raised at the present session without warning. Differing views were expressed on whether it was easier or more difficult for programme countries to be represented when the session was held in Geneva. The Executive Board took note of the comments made.

12. One delegation requested that the Executive Director report to the Executive Board at its third regular session 1999 on the status of the UNFPA operational reserve.

13. The Executive Board agreed to the subjects to be discussed at the third regular session 1999, as contained in the work plan in the annex to decision 99/14.

Farewell to the Administrator

14. The Administrator expressed appreciation to his colleagues in the United

Nations Development Group (UNDG) and the Executive Board for their support during the six years of his tenure. He stated that he had learned a great deal and appreciated the passion he had witnessed with regard to development cooperation. He would miss the diversity of people and ideas in the Executive Board. He thanked everyone who had helped him to make his contribution as Administrator. He was inspired by the vitality of all those around the world who contributed to the activities of UNDP, including those whom he had met who lived in poverty-stricken conditions. The staff of UNDP were dedicated and selfless and worked in many different circumstances. He expressed his gratitude to the Executive Director of UNFPA as well as to those colleagues who had worked in connection with the Executive Board.

15. The Executive Director of UNFPA stated that it was a sad time for the United Nations to lose such a dedicated leader. He had been an innovator and he had led UNDP at a most difficult time because of the shrinking budget for official development assistance and the questioning of multilateralism. The Administrator had been a strong voice in the call for renewed support to development assistance. His innovations had been bold in making changes in the internal management of UNDP and in initiating more flexible programming arrangements. She noted that the commitment of the Administrator to the multi-year funding framework process had been unwavering and had helped to win the Executive Board support. She recognized Mr. Speth's leadership of the UNDG, his sense of humour and positive nature, and the important work that had been accomplished on operational issues at the country level. She counted on the Administrator to continue to speak on behalf of the need for development resources in his new capacity.

16. The Permanent Representative of Ireland, speaking on behalf of the Western Europe and Others group, called Mr. Speth a leader in United Nations reform and in support of multilateralism. Under his tenure, UNDP had been at the forefront of upholding the Secretary-General's reform package, with the United Nations Development Assistance Framework as the main cornerstone. Mr. Speth had placed national priorities at the forefront of UNDP activities and had created partnerships both inside and outside of the United Nations system. The Ambassador underlined the need for all to work together to uphold the new funding arrangements that had begun under the Administrator's time in office. In closing, he thanked Mr. Speth for his commitment to reform and for initiating progressive measures in UNDP management on which the next Administrator could build.

17. The Vice President of the Executive Board and representative of Ghana, on behalf of the African Group, cited the recognition and respect the Administrator had gained in programme countries. He noted the complete management change and sharpening of programme focus achieved under Mr. Speth's tenure. In that regard, he underlined that as UNDP was often held to standards of efficiency and effectiveness that were not applied to other organizations, it was a measure of the man that he had maintained the impact of the programme while keeping the staff inspired. The Administrator's advocacy on behalf of the poor and less privileged and his leadership within the United Nations would be sorely missed. It was hoped that in his new capacity, he would continue to have a role in furthering the causes that he had upheld during his tenure at UNDP.

18. The Vice President of the Executive Board and representative of the Czech Republic, on behalf of the Eastern European group, expressed appreciation for Mr. Speth's dedication. She noted that he had introduced the concept of sustainable human development and had made key changes during his tenure at UNDP. Mr. Speth had steered the organization with his substantive strategic vision and accumulated knowledge. One major achievement supported by the Administrator had been the production of national human development reports, through which the concept of sustainable human development was successfully disseminated. For countries in her region, Mr. Speth's tenure was very important because of the recognition of the specific status of countries with economies in transition. She expressed the gratitude of her group for his dedication and respect for equal treatment of individual regions.

19. The Permanent Representative of Antigua and Barbuda, on behalf of the Latin American and Caribbean group, cited the long history of support by UNDP to his region that had been particularly strong during the past six years. Under Mr. Speth's leadership, UNDP had continued to work closely with countries in his region, including those who had reached or were approaching graduation status. The period had also marked a major transition for many countries of his region in that they went from military to democratic rule. He cited the specific interventions made by UNDP under Mr. Speth's leadership on behalf of Central American and Caribbean countries. The Administrator had made unrelenting and tireless efforts to benefit the region and to place sustainable human development at the centre of the development agenda.

20. The President, the Permanent Representative of Thailand, speaking on behalf of the Asia and Pacific group, and also on behalf of the entire Board, extended best wishes for the Administrator's future success and happiness. In six years as Administrator, Mr. Speth had enhanced the quality of the work of UNDP and steered the organization toward greater achievement in defining and fulfilling its goals, priorities and focus. He noted with appreciation Mr. Speth's vision, innovations and efforts to strengthen UNDP and the organization's place in the United Nations system, through internal reform and strengthened partnerships. The Administrator's personal dedication to poverty eradication had won much admiration, in particular from those who had witnessed it first hand in their own regions and countries. The fight to create a better life for so many born in difficult and uncertain conditions all over the world was far from over but the Administrator had made a great contribution and would continue to uphold the principles he had instilled at UNDP.

21. The Executive Board adopted the following decision:

99/8. Expression of appreciation to Mr. James Gustave Speth, Administrator of the United Nations Development Programme, 1993-1999

The Executive Board,

Noting with regret that Mr. James Gustave Speth will depart from his position as Administrator of the United Nations Development Programme, effective 1 July 1999,

Acknowledging the unrelenting and tireless efforts of Mr. Speth to place the United Nations Development Programme at the centre of the promotion of sustainable human development and the progress made by the Programme in its crucial work on poverty eradication during his time as Administrator,

Also acknowledging the efforts made by Mr. Speth, in support of multilateralism, to place the United Nations Development Programme at the forefront of reform and change in the United Nations system, to provide the organization with the tools to face future challenges and to forge partnerships with the full range of development actors so as to ensure a strengthened, effective and efficient role for the Programme in the operational activities of the United Nations,

1. Expresses its sincere appreciation and gratitude to Mr. James Gustave Speth for his effective management of the United Nations Development Programme from 1993 to 1999;

2. Extends its best wishes to Mr. James Gustave Speth and his family for a long and happy life and for continued success in all his future endeavours.

15 June 1999

22. The Administrator thanked the Executive Board for its comments and for the decision.

UNDP segment

II. ANNUAL REPORT OF THE ADMINISTRATOR

23. The Administrator introduced his annual report for 1998 (DP/1999/15), including the report on the reports of the Joint Inspection Unit (DP/1999/15/Add.1) and the statistical annex (DP/1999/15/Add.2). He noted that the annual report was a transition report, designed as a bridge between past practices and the new reporting system to be instituted under the multi-year funding framework (MYFF). The report provided highlights of achievements in the areas of resources, results, partnerships and organizational capacity as well as a look ahead to the challenges of the future. In his statement, the Administrator also took a look back to 1994, when he had first proposed an agenda for change to the Executive Board. In the subsequent years, the Executive Board had given UNDP a clear mandate to eradicate poverty through sustainable human development and to focus its work in four areas.

24. The transformation of UNDP was not yet complete, he noted. A challenge lay ahead in completing the results-oriented reform, ushered in by Executive Board decisions 98/23 and 99/1, enabling UNDP to become a powerful player in development cooperation in the next century. Partnerships must be strengthened, and the resources of UNDP must be commensurate with its responsibilities. It was essential that the funding level reach the $1.1 billion target per year very soon. The Administrator underlined the need for the Executive Board to commit

itself to UNDP and work with it in partnership to achieve the transformation. The Administrator stated that the proof of the labours in reforming UNDP would be seen in lives that were transformed, the half of humanity that lived on less than two dollars a day. He would continue to follow the work of UNDP from his new position as Dean of the Yale University School of Forestry and Environmental Sciences. UNDP would be in the capable hands of its new Administrator, Mr. Mark Malloch Brown, and its Associate Administrator, Mr. Zéphirin Diabré. He was sure that the staff of UNDP would continue to serve with dedication and commitment to strengthen UNDP as the premier development organization in the world and that the members of the Executive Board would continue to support UNDP and guide the organization as it completed its transformation.

25. The Associate Administrator gave a presentation on resource and programme trends in UNDP. The information provided covered core and non-core contributions, expenditures on programme activities, trust funds, focus areas, and funding allocation by region, including cost-sharing.

26. The Assistant Administrator and Director of the Bureau for Development Policy introduced the review of the global cooperation framework (DP/1999/CRP.7). The report had been produced in response to Executive Board decision 97/29 and to the comments made at the third regular session 1997. It contained a review of the global programme approved for 1997-2000 with an allocation of $126 million and drew inter alia on the findings of a forward-looking assessment of the Global Cooperation Framework undertaken by a group of independent consultants. Lessons to be applied to the subsequent programme (2001-2004) were included in the review. The contributions of various donors to the activities within the global programme were acknowledged.

27. Speakers thanked the Administrator for his report and congratulated him for his achievements during six years in office. Many noted the substantial reforms that had taken place within UNDP as well as in United Nations development cooperation activities. The Administrator, as head of UNDP and as chair of the United Nations Development Group, had made a great contribution to the reform of United Nations development activities. Several speakers welcomed the appointment of Mr. Malloch Brown, who would take up his duties on 1 July 1999.

28. Most of the delegations taking the floor praised the annual report for its excellent organization and thoroughness and as a progressive step toward the new results-oriented annual report (ROAR), which would be instituted in 2000 in connection with the MYFF. Some delegations encouraged UNDP to avoid listing activities. One delegation suggested that the timing of sessions should be examined in order to ensure adequate time for in-depth discussions on the MYFF and the ROAR.

29. The need to reach the target set by the Executive Board of $1.1 billion per year in core resources was underlined by many speakers. In that regard, the new funding system must be implemented with shared responsibility for funding, including increased burden-sharing among major donors. The representative of Switzerland confirmed his country's 1999 contribution to core resources as 52 million Swiss francs.

30. The deep support for UNDP expressed by many programme countries at the funding meeting at the second regular session was highlighted. Several delegations noted that the universal, grant nature of UNDP contributions should not be sacrificed. It was noted that national priorities continued to be the key determinants of UNDP development cooperation.

31. While welcoming the information on non-core resources provided by the Associate Administrator, several speakers called for further discussion and assurance that future ROARs would cover activities funded by both core and non-core resources. One delegation stated that an increase in non-core resources should be seen as a positive sign of partnership with UNDP. Another delegation stated that the exponential growth in non-core resources had the potential of distorting the priorities of the organization. Others emphasized the need to ensure that non-core resources were utilized in accordance with Executive Board-endorsed guidelines. Some concern was raised about the decentralization of resource mobilization for cost-sharing to the resident representative, who had many other duties and should not become a 'salesperson' for additional funds.

32. One delegation noted the lack of reference to the follow-up to Executive Board decision 98/1 on narrowing the focus of UNDP interventions and the guiding principles that were endorsed in that decision. The delegation was surprised that the recent publication "UNDP in the 1990s - The Story of a Transformation" did not mention decision 98/1. Several speakers emphasized the need for further focus in UNDP programme activities in order to maintain effectiveness and efficiency. The need for UNDP to continue to develop as a learning organization, with a culture of evaluation and lessons learned at all levels, was underlined by many speakers. Impact on individuals at the local level must be demonstrated, some speakers urged.

33. Several delegations highlighted the need for UNDP to publicize its results in order to achieve wider public support. One delegation saw a dual role for UNDP: providing support to programme countries and those with economies in transition to help to strengthen institutions and dialogue with civil society; and secondly, as the pivot for coordination at the country level.

34. While some speakers singled out UNDP activities in governance and human rights as praiseworthy, a few others cautioned that such involvement might, in some cases, impact on the trust the organization enjoyed as a neutral partner. Evaluations on governance activities should be made available to the Board. One delegation stated that the most positive contribution UNDP could make to the promotion and protection of human rights was in poverty eradication. Efforts to respond to specific problems in certain areas of the world were commended. Delegations singled out the usefulness of the Human Development Report and the national human development reports.

35. Several delegations requested a progress report on the subregional resource facilities (SURFs).

36. UNDP work in post-conflict countries was noted, in particular in de-mining activities and the resettlement of refugees and migrants. Some delegations suggested that the large number of countries obtaining funding from target for resource assignment from the core (TRAC) line 1.1.3 should be reviewed, as funding from that source had been intended for countries in special situations.

One delegation underlined the key role of UNDP in curative development, a characteristic that distinguished the organization from other partners in reconstruction and rehabilitation efforts in post-conflict countries.

37. One delegation was concerned about the low percentage attributed to gender in development programmes. Another delegation praised UNDP for its work with UNIFEM in raising awareness about violence against women. Another speaker requested information on how UNDP planned to mainstream gender and environment at the country level. One delegation raised a query about the implementation by UNDP of Agenda 21.

38. Many delegations urged UNDP to continue to develop and maintain strategic partnerships. One speaker underlined the growing importance of the role of UNDP in the follow-up to the Second Tokyo International Conference on African Development (TICAD II). Another delegation cited the good relationship between the UNDP Secretariat and the Executive Board. Some speakers underlined the need for enhanced cooperation with the regional commissions and development banks.

39. Several delegations highlighted the essential need for continued cooperation between UNDP and the World Bank, especially in relation to the United Nations Development Assistance Framework (UNDAF) and the Comprehensive Development Framework (CDF). A progress report on UNDP-World Bank relations was requested. Some delegations underlined the need for UNDP to have a firm niche in development activities in order to reduce the risk of being marginalized. One speaker noted that a total harmonization of the UNDAF and CDF should not be sought as the priorities of programme countries for loans and grants might differ.

40. The lack of reference to partnerships with the United Nations Office of Project Services and the Joint United Nations Programme on HIV/AIDS (UNAIDS) was noted.

41. With reference to document DP/1999/15/Add.2, one delegation questioned whether the expenditure on international experts was out of proportion with regard to national execution. It was hoped that the hiring of international experts would be undertaken in a manner that promoted South-South cooperation effectively.

Global cooperation framework

42. The increased focus of the global programme on poverty eradication and the transparency of findings of the forward-looking assessment were welcomed by several delegations. However, one speaker cautioned against the creation of another layer of projects through the global programme. The delegation also questioned whether UNDP had a comparative advantage in the area of debt relief, referred to in objective three in document DP/1999/CRP.7. Another speaker requested that reference to terms that had not been agreed to in global forums, such as "global public goods" and "human security", not be made in Executive Board documents. It was also noted that the Executive Board had not approved the core development services. The need for greater linkage between the global, regional, and country programmes was underlined by one delegation. The incorporation of the global programme in the MYFF was welcomed. Delegations

emphasized the need for wide consultation in preparation for the next global programme and demonstration of its added value.

Responses

43. The Administrator thanked the Executive Board for the comments made on the occasion of his departure. He welcomed the comments on the annual report and the anticipation of the MYFF and the ROAR in the coming years. In that regard, he confirmed that more information on the sources and use of non-core resources would be included in future reports. He underlined that UNDP would continue to emphasize development efforts in Africa, including through the follow-up to TICAD II and other regional processes. He noted that the Steering Committee for the Special Initiative on Africa had agreed to bring all regional efforts together to ensure complementarity. With regard to TRAC 1.1.3 for allocations to special development situations, he agreed that resources had been allocated too broadly and should in the future be focused on a smaller number of critical interventions. The Administrator expressed his enthusiasm for good governance programmes but cautioned that with the growth over the years, governance could become a catch-all category. He was disappointed in the lack of progress in gender in development and believed that the response could be a lot stronger. He stated that the partnership of UNDP with the World Bank would be strengthened under the new Administrator. In closing, he urged the Executive Board to demonstrate its support for the office of the Administrator in order to create a stronger UNDP.

44. The Assistant Administrator and Director of the Bureau for Planning and Resource Management informed the Executive Board that measures were in place to ensure that the best possible candidates were selected as resident coordinators. The new method included ensuring that the United Nations system had full confidence in the process. A two-day simulation exercise aimed at evaluating core competencies for resident coordinator candidates also contributed to the enhanced selection process. The pool of qualified candidates from within UNDP and from other organizations in the United Nations system for resident coordinator openings in 1999 and 2000 had been built up through three rounds of evaluation exercises. In response to a query raised on experts hired by UNDP, he noted that the use of national expertise had grown considerably in the past 10 years, that assignments were shorter and more targeted and that all project managers were nationally based. In response to another query regarding the possible negative effects of decentralized cost-sharing, the Assistant Administrator stated that UNDP had found the country-level knowledge and context to be essential for the mobilization of non-core resources. He noted that both headquarters and country offices were mobilized for fund-raising for core resources in relation to the MYFF. In that regard, it was important to have a strong partnership between headquarters and country offices in working together to raise funds for UNDP and its programmes. With regard to UNDP-World Bank relations, he drew attention to the informal briefing that would be held during the present session.

45. The Assistant Administrator and Director of the Bureau for Development Policy thanked the Executive Board for its comments on the global programme, which would further enhance the rationale of the global programme and the value added to the regional and country programmes. Consultations with the Board on

the next global programme were planned for the coming months in order to be sure that stakeholders views were taken into account. Lessons learned from the study of how other multilateral and bilateral agencies developed their global programmes would be taken into account in the design of the next phase. In response to a query raised, she noted that gender mainstreaming had resulted in the seemingly low percentage of projects devoted to gender in development. Many programmes had multidimensional aspects and it was therefore difficult to capture the real statistics in that area. She noted the multitude of sources of information available to the Board regarding UNDP work in the area of gender, including the electronic newsletter Gender Beat. Progress was also under way in the mainstreaming of environment in UNDP programmes. The Assistant Administrator noted that six SURFS had been set up and were operational, with all the posts filled.

46. The Assistant Administrator and Director of the Regional Bureau for Africa responded to queries raised regarding the Africa region. She noted that the study on poverty and inequality in South Africa could be replicated in other middle-income countries that had the relevant in-country institutions and the political will of the Government. The national long-term perspective studies (NLTPS) were one of the tools used by the Regional Bureau for Africa to encourage long-term management and capacity-building. The lessons learned from the first phase of the NLTPS included: (a) that the long-term vision must be connected with mid-term economic frameworks; and (b) a vacuum existed in terms of national institutions that could provide strategic management. In order to address the second finding, 13 national institutions had been identified for strengthening as nodes on strategic issues. She also drew the attention of the Executive Board to the agreement on basic principles for the Partnership for Capacity Building in Africa (PACT), which had been reached recently between the World Bank, UNDP and the African Development Bank. The PACT was managed by the African Capacity-Building Foundation, based in Zimbabwe.

47. The Executive Board took note of the annual report of the Administrator for 1998 (DP/1999/15), the report on the reports of the Joint Inspection Unit (DP/1999/15/Add.1), the statistical annex (DP/1999/15/Add.2), and the review of the global cooperation framework (DP/1999/CRP.7).

III. UNITED NATIONS REFORM

48. The Administrator introduced the report on follow-up to United Nations reform (DP/1999/16). He underscored the considerable work achieved by the United Nations Development Group (UNDG) in support of the Secretary-General's reform package and for the enhancement of the quality of the response of UNDP to the needs expressed by the international community in the areas of poverty and inequality, globalization and marginalization, armed conflicts, epidemics, and environment degradation. He pointed out that UNDP had had a leading role in helping to shape and implement the Secretary-General's reform programme.

49. He stated that UNDG was an operational and transparent tool whose workplan was regularly updated. He addressed special thanks to the heads of UNFPA, UNICEF and WFP for their support to him as Chair and for their decisive contributions to the UNDG outputs.

50. The Administrator presented his own vision of the development work of the United Nations in the year 2005 touching on the areas of coordination at the country level, linkage with peace and humanitarian work, funding and programming.

51. The Administrator emphasized that a substantial increase in official development assistance was essential to realizing that vision. He recalled his proposals made at the 1999 High-level Meeting of the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD/DAC). First, all stakeholders should agree to participate in pilot coordination aid exercises in selected countries. Those exercises would take place at a 'big table' led by the Government. Second, all stakeholders should come together in selected countries to compare and reduce multiple requirements and procedures for the benefit of those countries. Third, all stakeholders should come together to identify and reduce inconsistent procedures and other barriers to undertaking joint or collaborative programme initiatives. Fourth, all stakeholders should identify one major "flagship" programme for which they would adopt common procedures and a form of joint initiative at the country level. Fifth, all development assistance partners should make a commitment to the common country assessment on a pilot basis. Sixth, the round table and consultative group processes should be re-examined to see if changes were needed. Seventh, the countries of the European Union should consider an exercise analogous to that of the United Nations Development Assistance Framework, leading possibly to a "European Union Development Assistance Framework" (EUDAF). The Administrator concluded by saying that he wished for his successor, Mr. Mark Malloch Brown, the same support from the Executive Board that he had received during his six years in office.

52. Many delegations commented favourably on the quality of the report and commended it for being analytical, concise and informative. One delegation stated that document DP/1999/16, combined with the report of the Administrator to the Economic and Social Council (DP/1999/10), presented at the second regular session 1999, provided the basis for substantive discussions and decision-making during the forthcoming session of the Council. One delegation proposed that the report be brought to the attention of the Security Council.

53. Several delegations reaffirmed the central role of UNDP at both headquarters and country levels in the area of coordination in the development field. Many speakers commended the work done by UNDG in 1998 and encouraged UNDP to continue to support and promote ongoing efforts to build bridges between UNDG and the rest of the United Nations system in the area of operational activities for development. That could be accomplished through the participation of UNDP in UNDG, the Administrative Committee on Coordination (ACC) and its machinery, and by direct support to the United Nations Development Group Office (DGO). A number of delegations recalled that coordination was the prerogative of the Government of the host country and acknowledged that substantial progress had been made by the United Nations in that area.

54. A number of delegations underscored the progress achieved in the resident coordinator selection process and encouraged UNDG to continue its work in that crucial area. One delegation, while expressing satisfaction for the work of UNDP and UNDG, underlined the importance of avoiding additional bureaucracy in

the area of coordination. Another delegation underscored the competition that still prevailed among United Nations agencies and programmes and the conflict caused by multiple rules and regulations that placed a heavy burden on national public administrations.

55. One speaker stated that it was too early to appraise the output of the work of the UNDG and that the results of the evaluation requested by the General Assembly in resolution 53/192 would have to be carefully analysed. Another speaker expressed his regrets that a clear reference to the UNDAF guidelines, which had been endorsed by ACC, had not been included in the report. One delegation expressed its concern about the double responsibility of UNDP resident representatives serving as resident coordinators and stated that the matter would have to be closely monitored by the Executive Board. More systematic training of staff was supported.

56. Several delegations shared the vision of the Administrator on the possibilities for the United Nations in the area of development in the year 2005. A number of delegations underlined the fact that the UNDAF process was related exclusively to the work of the United Nations. One delegation underscored that the suggestion of a "EUDAF" was not applicable as there was only one European agency responsible for development cooperation while in the United Nations there were many organizations working in the development field.

57. Another speaker stressed the importance of achieving a clear division of labour among the entities in the United Nations since there still existed some overlap in activities at the country level. Another delegation stated that UNDP could promote the right to development but its mandate did not include enforcing human rights instruments.

58. Several delegations expressed their concern about the continued decline in core resources, a factor that could jeopardize the partnership of the United Nations system with programme countries. A number of delegations stated that the annual pledging conference held in the General Assembly was no longer useful since many major donors were not in a position to pledge at that forum because of the timing of their budget cycles. The annual funding meeting held at the second regular session of the Executive Board was supported by several delegations as being more effective in terms of timing and venue. However, several delegations stated that the Executive Board was not in a position to decide on the future of the pledging conference mechanism, as it was an issue for the Economic and Social Council to consider and make recommendations to the General Assembly. One delegation suggested creating a mechanism of consultation on and monitoring of non-core resources, which now represented some two thirds of total UNDP resources.

59. Several delegations noted with satisfaction the efforts of UNDP and UNDG to cooperate with the World Bank and encouraged continued development of that relationship, in particular with regard to the UNDAF and the Comprehensive Development Framework (CDF). One delegation supported a role for the Executive Board in creating a genuine partnership between UNDP and the World Bank. It was necessary to keep in mind the different mandates and comparative advantages of the organizations while noting the complementary activity and equal status of each partner. For example, UNDP had a comparative advantage in medium and long-

term studies and in capacity-building in Africa and should continue with those activities. Speakers also recalled the decisive role of the Government of the host country in choosing among the different tools offered through development cooperation. Several delegations underlined that there was no competition per se between the CDF and UNDAF. A flexible approach had to be followed, based on the specific circumstances prevailing in each host country. Several delegations underscored the need to avoid conditionality in the CDF and UNDAF processes. Some speakers stated that it was too early to appraise those instruments. One delegation stressed the importance for UNDP to include activities in the private sector in development in its relationship with the World Bank.

60. Several delegations expressed their support for achievements in the area of disaster mitigation and encouraged further links between those activities and the mainstream capacity-building activities of UNDP. One delegation offered to assist countries with repetitive and frequent natural disasters with its own national expertise. Another delegation stated that it was important for the United Nations to continue to improve its response in the interim phase between emergencies and sustainable development. Another delegation suggested that core resources should be allocated to long-term recovery actions long after the occurrence of a natural disaster.

61. The Administrator thanked the delegations for their frank, substantive and constructive comments and questions. He requested DGO to provide the UNDG acting chair with a comprehensive written note addressing the main questions raised which could then be shared with the Executive Board. The Administrator stated that CDF and UNDAF were in the process of being implemented in selected countries as decided by their Governments. Those experiences would be closely monitored with a view to drawing lessons for the future.

62. The Administrator shared his concerns regarding the growth of World Bank trust funds in areas of grant technical cooperation. The Executive Board would need to monitor that issue and to support UNDP by ensuring internal coherence within their respective governments, notably between the Ministries of Finance and Foreign Affairs. In response to a query raised, the Administrator stated that the UNDAF would bring new impetus to the Tokyo International Conference on Africa (TICAD II) and the United Nations Special Initiative for Africa. The Administrator noted with satisfaction that in 2002, more than 90 per cent of core resources of UNDP would be allocated to countries with harmonized programming cycles. The Administrator stated that it was important to maintain a healthy diversity among the international actors of development.

63. The Associate Administrator stressed the fact that the contribution of UNDP to United Nations reform was an ongoing matter and that there would be plenty of formal and informal occasions to discuss and revisit the matter. UNDG was working in a very transparent manner and UNDP looked forward to the progressive participation of the entire United Nations system in the UNDAF. The comments of the delegations related to the pledging conference would be brought to the attention of the Economic and Social Council through the record of the current meeting. He underscored the fact that the relationship between the World Bank and UNDP were long-standing and that cooperation and dialogue between those two institutions had always taken place. UNDP would monitor closely the development of both the UNDAF and the CDF as well as the question of the grant

trust funds of the World Bank. He added that UNDP based its work on national ownership of its programmes, not on conditionality.

64. The Executive Board took note of the report on follow-up to United Nations reform (DP/1999/16).

IV. EVALUATION

65. The Director of the Evaluation Office introduced the report of the Administrator on evaluation (DP/1999/17). He noted that during the past year, the concerns of monitoring and evaluation had been brought to the forefront of the UNDP processes of change and learning. By setting goals and establishing benchmarks and indicators to measure progress, the multi-year funding framework and strategic results framework exercise had integrated information with management and accountability in UNDP. In his introduction, the Director gave an overview of the work of the Office in results-based management, learning and knowledge dissemination, and substantive accountability. Three major evaluations had been completed in 1998: on the programme approach; and on assessments of governance projects in the regions of Latin America and the Caribbean and Arab States, respectively. Two strategic evaluations were currently under way: the role of UNDP in post-conflict situations and the relationship between UNDP and the United Nations Office for Project Services (UNOPS).

66. Many delegations welcomed the introduction by the Director and cited the excellent quality and informative nature of document DP/1999/17, noting the positive evolution of the annual report on evaluation. One speaker stated that the report was the most important document that the Executive Board was discussing during the week as it allowed for lessons learned to be incorporated into the work of UNDP.

67. The importance of evaluation in strengthening the ability of UNDP to demonstrate its achievements was underlined by several delegations. Evaluation served as an important link in the overall cycle of programme management and should be properly considered at the formulation stage.

68. Overall, speakers confirmed the three strategic directions of the Evaluation Office: supporting UNDP in becoming a results-oriented organization; strengthening substantive accountability; and promoting organizational learning. Some delegations suggested that the Evaluation Office could also contribute to promoting transparency and that the organization could be more forthcoming with its planned evaluations as well as with the results of those evaluations. In that context, the stated intention of the Director to circulate evaluation plans was noted positively.

69. Many delegations commended the Evaluation Office for its technical leadership and substantive role in the development of the strategic results frameworks for UNDP and for providing support to the regional bureaux and country offices in the process. One delegation, in particular, recommended that the Office serve as the centre of excellence in UNDP on the results-based management approach and share its experience and lessons learned with bilateral

and multilateral donor institutions and programme countries. The specific work on methodologies relating to outcomes and indicators was welcomed by some delegations, with the suggestion that links be made the work of the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD/DAC) in that area. The definition and application of indicators in the field of governance was welcomed by several delegations. However, one speaker cautioned that individual efforts by organizations in that regard caused confusion and thus, governance indicators should be linked to national initiatives and in response to national requests.

70. Many delegations showed special interest in the Evaluation Office portfolio, citing that strategic and thematic evaluations were essential to results-based management. Support was expressed for the evaluations under way to assess UNDP interventions in post-conflict countries and on the relationship between UNDP and UNOPS. One delegation, on behalf of the Nordic countries, requested a briefing on the evaluation of the round-table and Consultative Group processes. Another delegation offered to share its experience of the country in relation to the evaluation of post-conflict situations. Some delegations called for reinforced emphasis on joint evaluations. The planned country impact assessments were welcomed as steps to strengthen the evaluation portfolio, and already, some delegations were keen to know which countries would be selected for those exercises.

71. Learning from evaluations and making maximum use of lessons learned was one of the paramount concerns articulated by most of the delegations. More attention should be given to analytical presentations of evaluation findings and to the synthesis of lessons learned (including good and bad experiences) that would feed into programmes and decision-making. Access to evaluation-based knowledge needed to be ensured.

72. Further improvements in compliance, despite those already noted, were requested by several delegations. A query was raised as to how managerial accountability was enforced, in particular through compacts signed by UNDP managers, with respect to compliance with mandatory evaluation policies. The preparation of country-level evaluation plans was considered as a useful tool for sharpening the management function.

73. Several delegations concurred that future reports should include plans for the completion of mid-term country programme reviews (now called country reviews) and a record of institutional compliance for the reviews. Inclusion of the global programme in the yearly report on evaluation was also requested.

74. The contribution of the Evaluation Office to the revision of monitoring and evaluation guidelines for the United Nations Development Assistance Framework (UNDAF) was noted.

Response.

75. The Director of the Evaluation Office responded to the comments and queries raised during the discussion. He noted that the updating of the guidelines for the UNDAF had been recommended by the UNDAF assessment team he had led in 1998. The revised guidelines were the product of close consultations

with members of the United Nations Inter-Agency Working Group on Evaluation chaired by UNDP. Acknowledging the concern of some delegations regarding indicators, the Director stressed that indicators did not explain results but rather were helpful in understanding issues better and in sharpening statements of planned results based on close consultations with the programme countries. He explained that a methodology for the country impact assessments would be developed in 1999. Based on that methodology, a short list of countries would be discussed with the regional bureaux and the final selection made.

76. The Director noted that independence of the evaluation function within UNDP was addressed at two levels. First, on the specific question concerning the institutional positioning of the Evaluation Office, the Director acknowledged the enormous support of the Executive Board and the Administrator in maintaining the independence of the Office. That status had enabled the Evaluation Office to scan the horizon with a more considered view and to select even the most sensitive issues for its evaluations. Second, on the way evaluations were conducted, the primary objective was to ensure that full value was given to issues. Evaluation teams, headed by individuals prominent in their fields, included consultants from the North and South who were thoroughly familiar with the development issues to be examined and knowledgeable in evaluation techniques. The Office did not impose its views on the evaluation teams but rather helped to clarify issues and validate facts.

77. The Director stated that all evaluation reports were now being posted on the Evaluation Office website. He agreed that there was a need to have a more focused look on lessons learned and that new knowledge products based on evaluations would be developed as an integral part of the overall learning process in the organization.

78. In response to the observation noted by one delegation that the number of evaluations conducted had decreased during the last few years, the Deputy Director of the Evaluation Office explained that the average size of UNDP-supported projects had increased from a budget of $1 million to $4 million. With no corresponding increase in the core resources of UNDP, the actual number of UNDP projects had then decreased, and consequently, the number of projects to be evaluated had also decreased. As to the decrease in the number of evaluation reports processed for the central evaluation database, he informed the Executive Board that the extraction of information from evaluation reports was the responsibility of the evaluation team. When that was not done, country offices responsible for the evaluation needed to hire someone to do it with the cost charged against their own budgets.

79. The Associate Administrator emphasized that evaluation was a principal tool for learning, and he expressed the view, as had most delegations, that lessons from experience - both good and bad - should be shared. He highlighted the need for a comprehensive knowledge management system in UNDP that would allow all units in the organization to be involved, connected and committed to learning from each other as a way of ensuring progress. The Associate Administrator underlined the commitment of UNDP to ensuring substantive accountability. The multi-year funding framework and the strategic results frameworks provided the opportunity to develop a results-driven accountability framework for all UNDP operations, including the global programme. Compliance

reporting would also include reporting on the mid-term reviews (country reviews) of the country cooperation frameworks, 11 of which had already begun. Follow-up on evaluation recommendations would be given emphasis to ensure that appropriate actions were taken by management.

80. The Executive Board took note of the report on evaluation (DP/1999/17).

V. COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Assistance to Myanmar

81. The Assistant Administrator and Regional Director for Asia and the Pacific introduced the note by the Administrator on Assistance to Myanmar (DP/1999/18). The purpose of the note was to report to the Executive Board on the progress and challenges in the implementation of project activities of the Human Development Initiative (HDI) for Myanmar as called for in Board decision 98/14. In compliance with that decision, a three-member international mission carried out an independent review of the HDI in early 1999. The Assistant Administrator updated the Board on the status of HDI activities since June 1998. He noted that the 10 current projects of HDI (approved by the Board in decision 96/1) would be concluded in mid-1999. The 11 projects comprising HDI Phase III (mid-1999 to end 2001) had been approved by the Administrator in accordance with the guidelines provided in Board decisions 93/21 and 98/14.

82. The Assistant Administrator drew the attention of the Executive Board to the key findings and conclusions of strategic HDI issues reported by the 1999 HDI review mission as contained in chapter IV of document DP/1999/18. It was noted that HDI projects continued to be implemented in conformity with the relevant Governing Council and Board decisions. All 10 ongoing projects were performing satisfactorily with varying degrees of success and impacts of project activities now highly visible. In terms of the challenges faced by HDI, attention was drawn to the short time frame of two and a half years for HDI projects, coupled with the frequency of assessments and reviews. In addition, the unsustainability of HDI activities from an institutional sense, given their implementation modality at the grass-roots level, was noted, as was the significant contribution of HDI to human development. The limited resources for HDI were noted as inadequate to address the magnitude of humanitarian issues, particularly that of HIV/AIDS. Lack of access to villages could make a difference in the sustainability of HDI activities.

83. The Resident Representative in Myanmar gave his assessment of the human development challenges since taking up his duties in February 1999. He reiterated the significant progress of the HDI projects in addressing some of the basic humanitarian needs, promoting participatory processes and building local capacities. The Resident Representative reaffirmed the ongoing challenges faced by HDI projects at the operational level. He noted that UNDP, along with other United Nations organizations working in Myanmar, had taken some noteworthy initiatives, such as the preparation of a Social and Human Development Report for Myanmar in 1998, in an effort to address the paucity of development-related information. Other outputs included a detailed work plan in preparation for a common country assessment (CCA) and an integrated development programme for the

Northern Rakhine State, which would build on, and phase into, the current exercise led by the United Nations High Commissioner for Refugees for the returnees to that area. He highlighted the continued collaboration of UNDP with civil society organizations and the diplomatic missions in Myanmar. He concluded by requesting that the Executive Board consider the need for urgent co-financing of HDI activities to address the critical humanitarian needs in Myanmar.

84. Delegations praised the work of UNDP and expressed appreciation for the results achieved to date for sustainable human development. Delegations noted the constraints inherent in the mandate given to UNDP for grass-roots activities and the difficulties faced in project implementation. Several delegations mentioned that they had received reports from their embassies in Yangon that were complimentary of the work of UNDP. A number of delegations expressed concern for the increasing HIV/AIDS problem, the lack of village access linked to HDI activities, and the time-frame for HDI projects. One delegation recommended that the United Nations Capital Development Fund could be involved in increasing village access and expressed its willingness to provide support. Delegations urged continued collaboration with United Nations organizations and welcomed the preparation of a CCA. On the whole, delegations were most appreciative of UNDP efforts to maintain both formal and informal consultations on its activities in Myanmar. One delegation, speaking on behalf of the Nordic countries, mentioned that at a recent meeting of a Nordic diplomat with Daw Aung Suu Kyi, the General-Secretary of the National League for Democracy, she expressed her support for UNDP activities and its community-based approach.

85. Several delegations cited the proposed programme of development assistance for the Northern Rakhine State and supported mobilization of non-core resources for the new initiative for an integrated area-development programme. One delegation welcomed the implementation of micro-credit and income-generation activities by non-governmental organizations as an attempt by UNDP to alleviate poverty and, among other things, to mainstream gender issues.

86. All speakers expressed their full support for continued assistance by UNDP to Myanmar within the framework of the Human Development Initiative-Extension and to support a programme of development assistance in the Northern Rakhine State.

87. The Assistant Administrator stated that UNDP had taken note of the comments made. He thanked Executive Board members for their continued guidance and support of UNDP activities in Myanmar.

88. The Executive Board took note of the note of the Administrator on Assistance to Myanmar (DP/1999/18).

VI. INFORMATION AND COMMUNICATION STRATEGY

89. The Associate Administrator introduced the report on the UNDP corporate communications and advocacy strategy (DP/1999/19). He noted that the strategy was still a work in progress. The report provided information on achievements in communications and advocacy since the introduction of the 1995 strategy, as

well as lessons learned and challenges and actions to be taken in the 10 priority areas identified by the Executive Board at its annual session 1998. He noted that UNDP was examining intensively how best to consolidate and build on the results of the 1995 strategy and also in the follow-up to decisions 95/23 and 99/1, which underscored the vital role of information and communication in relation to resource mobilization.

90. Information on results obtained through the multi-year funding framework (MYFF) exercise would provide important inputs for developing targeted messages on the results of UNDP work at the global, regional and country levels. The Board would be informed of the result of discussions on the organization's profile, expanded networking and partnership-building, the work of the Publications Committee and the 2000-2001 budget exercise.

91. The Director of the Division of Public Affairs gave a presentation with elaboration of the results achieved, lessons learned and specific actions to be taken with regard to the 10 action priority points. He noted in particular the progress achieved since 1995 in the interaction of senior UNDP officials with the media in both donor and programme countries. To facilitate interaction between UNDP staff and the media, a few key corporate messages would be developed so that the organization would be promoted more effectively. Results-based information would be obtained in order to strengthen the linkage with resource mobilization. Training and workshops were planned to enhance the skills of senior managers as better spokespersons. Plans were also under way to intensify efforts to promote the work of the organization within the United Nations system.

92. Delegations welcomed the progress in developing a UNDP communication and advocacy strategy for UNDP. The report represented a further step in development of the strategy that would be further elaborated at the first regular session 2000 and the annual session 2000. Several speakers praised the work of the UNDP Division of Public Affairs for its part in developing the strategy. The questions referred to in the presentation were very pertinent to the needs of UNDP. One delegation indicated its willingness to commit financial support to the implementation of the strategy once it was approved by the Executive Board.

93. Several speakers underlined the critical importance of communications and advocacy in relation to resource mobilization. For that reason, it was essential for UNDP to communicate its success stories and achievements. There was a clear linkage between the results-based approach of MYFF and the communications and advocacy strategy, elements that had to be integrated at all levels of the organization. A sharper profile of UNDP had also to be elaborated in order to send clear messages about the organization.

94. Many delegations underlined the need for resident representatives to have excellent communication skills and to receive training. One delegation suggested that a system-wide communication strategy could be useful given the many responsibilities of resident representatives/resident coordinators. Other speakers called for better communication between UNDP headquarters and country offices, and for greater cohesion of messages from headquarters units.

95. Targeting of messages and communication strategies was seen as very important. In that regard, the communication and advocacy strategy must be adapted to individual situations, countries and populations, including through close consultation with host countries. One delegation suggested that UNDP should have an individual strategy for each donor country in addition to a broad communications and advocacy strategy. Another delegation supported the targeting of messages about UNDP with a view to later enlarging the strategy to include development activities in the United Nations system. The same delegation underlined the need for the strategy to go beyond resource mobilization to promote sustainable human development and to provide analysis and information about activities in the development field.

96. Several speakers underlined the need for complete information on the budgetary implications of the strategy, as requested in Executive Board decision 98/15 and looked forward to discussion on that aspect at the third regular session 1999.

97. Comments on individual UNDP publications included appreciation for the Human Development Report, national human development reports, Overcoming Human Poverty and for Global Public Goods: International Cooperation in the 21st Century. Two delegations stated that the contents of the publication associated with the International Day for Poverty Eradication on celebrities was not appropriate for audiences in their countries. Overall streamlining of publications was strongly supported, as was the increasing use of the Internet. The Publications Committee was seen as a positive mechanism that would lead to overall improvements in UNDP publications. One delegation underlined the need for the results-oriented annual report (ROAR) to incorporate information on use of resources, including non-core resources. The speaker expressed gratitude to UNDP for its appointment of a Goodwill Ambassador from his country.

98. One delegation stated that partnerships with the private sector such as the "NetAid" initiative were needed, but UNDP must be sure to monitor closely the outcomes of such ventures.

99. One delegation expressed concern about the late issuance of Executive Board documentation in languages other than English.

100. The Associate Administrator assured the Executive Board that UNDP was committed to pluralism in its documentation. He thanked the Board for its comments that would aid UNDP in the further development of its communications and advocacy strategy and in particular, the delegation of Canada for its offer of financial support. The spirit of partnership exemplified at the present meeting was welcomed and he looked forward to the continued discussions on the topic at the first regular session 2000.

101. The Director of the Division of Public Affairs noted the steps taken by UNDP to target its messages to specific audiences, both in donor and programme countries. He agreed that complex concepts needed to be translated into simple messages to reach a wider audience. The Publications Committee had a very positive role in determining the cost-effective and meaningful use of publications. He noted that UNDP was using the Internet with increased frequency in order to relay messages quickly and efficiently.

102. The Executive Board adopted the following decision:

99/10. UNDP corporate communication and advocacy strategy

The Executive Board

1. Takes note of document DP/1999/19 submitted in response to decision 98/15 and also notes that elaboration of the UNDP corporate communication and advocacy strategy continues as work in progress;

2. Welcomes the efforts to date to enhance the visibility of UNDP and the results achieved to date in the promotion of a culture of communication and advocacy in UNDP;

3. Also welcomes the emphasis in the UNDP corporate communication and advocacy strategy on results and progress towards a clearer demonstration of the development achievements of UNDP;

4. Requests further elaboration of the results-based UNDP corporate communication and advocacy strategy to strengthen the linkage with the multi-year funding framework and to report on budgetary and staffing implications;

5. Invites the Administrator to report further in this regard, taking into account the results of the discussion on the multi-year funding framework, initially with an oral report at the first regular session 2000, to be followed by a substantive report and discussion at the annual session 2000.

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VII. RESOURCE MOBILIZATION

103. The Assistant Administrator and Director of the Bureau for Planning and Resource Management introduced the interim report on the implications of the funding strategy for UNDP-associated funds and programmes (DP/1999/20). He noted that the United Nations Development Fund for Women (UNIFEM), the United Nations Capital Development Fund (UNCDF) and the United Nations Volunteers programme (UNV) had progressed in ensuring that their future programme and budget processes were in line with the new funding strategy.

104. He also gave a progress report on the development of the multi-year funding framework (MYFF). Since the second regular session 1999, there had been significant advancement in defining the strategic results frameworks (SRFs), with total compliance achieved for country offices and for the regional and global programmes. That reflected a good understanding of results-based management in UNDP and demonstrated a shift from input management. A core group was currently working on data analysis and the aggregation of preliminary results. The Administrator-designate had expressed his strong support for the exercise. Continued close consultation with the Executive Board was anticipated during the months ahead.

105. Delegations commented positively on the progress achieved and the application of the principles and methods of the new funding strategy to the UNDP-associated funds. One delegation singled out UNCDF, noting that the recent evaluation of the Fund's activities over three years was very positive and would form an excellent basis for its SRF. Another speaker called for all organizations to learn from one another in the funding strategy process.

106. One speaker, supported by another, cautioned against referring to the process as an "integrated results and resources framework", noting that the Executive Board, in its decision 98/23 had called for the development of a MYFF that "integrated programme objectives, resources, budget and outcomes, with the objective of increasing core resources". Another delegation underlined the reaffirmation in decision 98/23 to universality, neutrality and multilateralism. UNDP was encouraged to continue to hold close consultations with the Board as envisaged in its legislation.

107. One delegation requested that UNDP provide further information prior to the third regular session 1999 on the methodology of classifying activities by theme.

108. It was noted that the funding meeting at the second regular session 2000 would include pledges to the associated funds and programmes. However, one delegation pointed out that a decision on the future of the General Assembly pledging conference belonged to other competent forums.

109. The Assistant Administrator noted that the process of consultations would be intensified on both the MYFF for the third regular session 1999 and then the ROAR and the funding meeting for the second regular session 2000. In response to the query raised, he informed the Executive Board that UNDP had developed a set of definitions and classifications, including goals and sub-goals in connection with the instituting of results-based management. That information would be shared with the Board. Reporting on both results and resources used in thematic areas would take place in the context of the ROAR. It would also be possible to report results and resources spent within certain classifications, such as net contributor countries.

110. The Executive Board took note of the interim report on the funding strategy for UNDP-associated funds and programmes (DP/1999/20).

VIII. TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

111. The Associate Administrator introduced the report on technical cooperation among developing countries (TCDC) (DP/1999/21). He noted that the Executive Board had allocated 0.5 per cent of its core resources (approximately $15 million) for the programming period 1997-2000 to the Special Unit for TCDC. He was pleased with the Special Unit's good track record during the review period 1997-1998 and the important contributions to promoting South-South networking and sharing of successful practices to achieve sustainable human development. In addition, the work of the unit had helped to expand South-South policy dialogue and intellectual exchanges on key development issues, had enhanced South-South communications and Internet connectivity, and had

strengthening global support-base and multilateral system coordination for TCDC. The Associate Administrator briefed the Board on the report of the eleventh session of the High-level Committee on TCDC (DP/1999/L.12), which further documented the overall progress of TCDC during the same period. He pointed out that a number of emerging trends in TCDC offered new challenges and opportunities for a more robust agenda of South-South cooperation in the new millennium. The Associate Administrator concluded his remarks by reassuring the Board of the commitment of UNDP to the Secretary-General's reform effort to orient the work of the organization towards South-South cooperation.

112. There was broad agreement in the discussion that TCDC had, indeed, become a vibrant dimension of international development cooperation. It had enabled developing countries to assume primary responsibility for their own development and to participate more effectively in the global economy. Several speakers noted that the United Nations system had allocated approximately $100 million annually in support of TCDC activities, half of which came from UNDP. Some delegations stressed the urgent need to mainstream the TCDC modality as a practical and cost-effective programme delivery mechanism. Others believed that its potential could be fully realized if it were not treated as a separate element. In this connection, several delegations urged the full implementation of the revised guidelines for the review of policies and procedures concerning TCDC. Many others expressed satisfaction with the issuance of a corporate strategy on TCDC by the Administrator, requesting all resident representatives to accord "first consideration" to the use of TCDC in designing and implementing country cooperation frameworks.

113. Many delegations who took the floor recognized the unique, effective role played by the Special Unit in promoting and implementing TCDC and stressed the need to maintain its separate identity and to strengthen its financial and human capacities in order to enable it to carry out its General Assembly mandate effectively.

114. There was a wide recognition that while developing countries should shoulder the main responsibility for managing and financing TCDC, increased donor support remained essential for the furtherance of TCDC. In this connection, many delegations expressed appreciation for the additional financial contributions to TCDC by a number of donor countries, through either the South-South Trust Fund or triangular arrangements, and called for intensified efforts by the international community in that regard. Many delegations also stressed the need to increase resource allocation for TCDC in the next programming period. It was suggested that special attention be given to diversifying the TCDC funding base within the multi-year funding framework and the United Nations Development Assistance Framework.

115. A number of delegations asked about the role of the Special Unit in the initiative to prevent maternal mortality, the Micro-financing Africa (MicroFin Africa) project, the West African Rice Development Association (WARDA) programme, and in support to Small Island Developing Countries (SIDS). One delegation requested further information about the publication budget of the Unit. Several others proposed more incorporation of lessons learned and the views of donors on TCDC in future reports. Another delegation raised the issue of technical cooperation among transitional countries.

116. The Director of the Special Unit informed the Board that the role of the Unit in the above-mentioned initiatives had been catalytic and complementary in initiating the South-South process, with other partners playing more substantive roles. For example, UNFPA and the UNDP Bureau for Development Policy were substantively involved in a maternal mortality project; the United Nations Development Fund for Women and the United Nations Capital Development Fund in the MicroFin Africa project; the Japan International Cooperation Agency and the United States Agency for International Development in the WARDA programme; and the United Nations Department for Economic and Social Affairs and the Regional Bureau for Latin America and the Caribbean in the SIDS programme. He explained that publications accounted for only about five per cent of the total budget of the Unit and that the Internet was being increasingly used for distributing them to reduce costs. He agreed with the suggestion to reflect lessons learned and donors' views in future reporting. With regard to TCTC, he clarified that it was not considered as a separate modality since such cooperation was supported under the broad framework of TCDC.

117. The Director clarified that TCDC was a cross-cutting theme, similar to that of gender. Both the High-level Committee on TCDC and the General Assembly had given the term "mainstreaming" in relation to TCDC a very clear definition for the avoidance of any ambiguity and misinterpretation. He noted that the role of the Special Unit was comparable to that of UNIFEM in promoting gender mainstreaming in all programmes and activities of the United Nations system.

118. The Associate Administrator expressed his appreciation for the overwhelming support for TCDC and the Special Unit. He assured the Executive Board that top management did not interpret mainstreaming TCDC as the disappearance of the Special Unit. On the contrary, UNDP would do whatever necessary to strengthen further the leadership role in TCDC and the Special Unit within available resources.

119. The Executive Board adopted the following decision:

99/11. Technical cooperation among developing countries

The Executive Board

1. Takes note of the report of the Administrator on technical cooperation among developing countries (DP/1999/21);

2. Requests the Administrator to prepare a report to enable the Executive Board to respond, in an appropriate manner and in the context of the multi-year funding framework and the United Nations Development Assistance Framework processes when the budget is being discussed in 2000, to the General Assembly request set out in paragraph 43 of its resolution 53/192 of 15 December 1998, taking into account the mandate of the Special Unit for Technical Cooperation Among Developing Countries.

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IX. UNITED NATIONS OFFICE FOR PROJECT SERVICES

Annual report of the Executive Director

120. The Executive Director introduced his annual report on the activities of the United Nations Office for Project Services (UNOPS) in 1998 (DP/1999/22) and the statistical annex (DP/1999/22/Add.1). He noted that the report was based on the 1998 UNOPS business plan, a copy of which had been provided to the Executive Board at its third regular session 1998. In that regard, he reported on the increased financial performance in 1998 relative to the targets set in the business plan, further noting continued strong demand for services in the first six months of 1999. The Executive Director noted a decline in new projects funded by UNDP core resources and reported further progress on client diversification. He also gave four examples of new product offerings that were developed in 1998.

121. The Executive Director drew the attention of the Executive Board to the issue of delegation of authority on personnel matters, noting that the delegation, pending since the adoption of Executive Board decisions 94/12 and 94/32 that had established UNOPS, was a vital element in completing the procurement regime of UNOPS. Stating that the delegation of authority was of particular importance to further diversification in the provision of those services, he presented an overview of the impact and implications for UNDP and UNOPS of the delegation. He also reported that the United Nations Office of Legal Affairs had expressed an opinion supportive of the delegation.

122. Twenty-three delegations took the floor, each commenting favourably on the performance presented by UNOPS. While many delegations were of the opinion that a decision in favour of the delegation of authority to UNOPS for personnel contracts could be taken at the present session, several others stated that more time was needed to examine the issue, in particular with a view to ensuring that UNDP and other involved parties had been adequately consulted. Several speakers sought the reassurance that UNDP did not object to the delegation, expressing the wish that more evidence of cooperation and agreement had been presented. Three delegations emphasized that the success of UNOPS had demonstrated that the decisions taken in 1994 had been correct and there was a need to confirm it with further delegation of personnel authority. Four delegations welcomed the continued increase by UNOPS in recruiting personnel from developing countries in contracting services. One delegation suggested that UNOPS should make broader use of experts and consultants from countries with transitional economies, and that the Office's statistics should reflect such information. Four delegations emphasized that UNOPS must continue to diversify its client base.

123. The Associate Administrator, UNDP, urged that the issue of the delegation of personnel authority should not overshadow the considerable contributions that UNOPS has made. He stated that UNDP was generally satisfied with its collaboration with UNOPS and, more importantly, the countries using UNOPS services were happy. While observing that UNDP would have preferred to have been more closely involved in the discussion of the delegation of personnel authority prior to the Executive Board meeting, he indicated that UNDP recognized that the UNDP-UNOPS relationship would evolve and that UNDP did not oppose a decision being taken.

124. Stating that his office had not had time to study adequately the UNOPS proposals for the delegation of personnel authority, the Assistant Administrator for the Bureau for Planning and Resources Management, UNDP, indicated that UNDP supported such delegation in principle. He offered to engage with UNOPS in clarifying the modalities of the delegation and further offered assistance in resolving some pending issues relating to personnel contracts.

125. The Executive Director expressed his appreciation to the delegations and UNDP for their encouraging words. He strongly emphasized that the framework of the 1994 relationship between UNDP and UNOPS still stood, and that within this, UNOPS needed the delegation of personnel authority to be able to service new non-UNDP clients. The Executive Director responded to specific questions raised by delegations.

126. The Executive Board adopted the following decision:

99/12. UNOPS: Annual report of the Executive Director

The Executive Board

1. Takes note of the report of the Executive Director of the United Nations Office for Project Services (DP/1999/22 and Add.1), further noting that the Office continues to operate in accordance with the self-financing principle;

2. Welcomes the continued progress of the United Nations Office for Project Services in diversifying its client base and in increasing its level of services to United Nations agencies;

3. Takes note of the ongoing evaluation by the United Nations Development Programme of the relationship between the United Nations Office for Project Services and the United Nations Development Programme for presentation at the first regular session 2000 and requests the Administrator to ensure that the Office is fully consulted in this process in order to increase coordination and cooperation between the United Nations Office for Project Services and the United Nations Development Programme and invites the Executive Director and the Administrator to comment on the outcome;

4. Recognizes that changes in the current personnel regime for the United Nations Office for Project Services are necessary;

5. Requests the Executive Director of the United Nations Office for Project Services, in collaboration with the Administrator and in consultation with all interested parties on all relevant legal, budgetary, staff and policy implications, to present at the third regular session 1999 a detailed proposal on the responsibility of the Office in personnel matters, as envisioned in decisions 94/12 of 9 June 1994 and 94/32 of 10 October 1994 on the delegation of authority in the areas of personnel, with a view to taking a decision at that session.

22 June 1999

Report of the Executive Director on the Joint Inspection Unit Report

127. The Inspector, Joint Inspection Unit (JIU), introduced the report of the JIU entitled "United Nations Office for Project Services (UNOPS): Broader Engagement with United Nations System Organizations" (JIU/1998/REP/98/5-A/53/788), recalling the circumstances of the establishment of UNOPS in 1995. He said that clients of UNOPS valued its timeliness in delivery, its flexibility, quality, cost-effectiveness, risk management, impartiality, and competitiveness. He outlined the JIU recommendations addressed to UNOPS, United Nations organizations, the Executive Board and those that might have an impact on reform in the United Nations system. The Inspector was pleased to note that the comments of the Secretary-General and the Administrative Committee on Coordination (ACC) (A/53/788/Add.1) concurred with those of the JIU, particularly concerning the broadening of the partnership between UNOPS and other United Nations system organizations.

128. The Executive Director, noting that it was unusual for the JIU to issue a report on a single organization, expressed his gratitude to the JIU inspectors for their report. He reiterated that UNOPS, as stated in his report (DP/1999/25), was in agreement with the recommendations pertaining to UNOPS and reported that UNOPS was currently following up on six of them.

129. The Secretary, ACC, presented the note by the Secretary-General (A/53/788/Add.1) containing his remarks and those of ACC members on the JIU report. He highlighted the view expressed in the note that the Management Coordinating Committee (MCC) had been a flexible tool for management and continued to add value without increasing bureaucracy. He expressed his appreciation to the JIU for its contributions to the ongoing reform processes in the United Nations system.

130. The Associate Administrator, UNDP, observed that UNDP agreed with the conclusions put forward in document A/53/788/Add.1.

131. Five delegations took the floor to comment on the JIU report. The majority expressed the view that the agreements reached in 1994, on the basis of which UNOPS had been established, were basically sound and did not need to be reopened. At the same time, there was agreement that the Executive Board should give consideration to the overall issue of how it could improve its oversight of UNOPS. In the meantime, the prevailing view was that further study of the issue should be undertaken before taking decisions with regard to the roles of MCC and User's Advisory Group (UAG), and on the issue of whether a separate segment of Board deliberations should be assigned to UNOPS.

132. In his response, the JIU inspector emphasized that the main objective of the JIU report had been to broaden and increase the effectiveness of the partnership between UNOPS and other specialized agencies, for the benefit of programme countries. Distinguishing between the conclusions of the JIU and the ACABQ observations that were quoted in the report, he expressed the opinion of the JIU that the MCC had performed its initial function and that the time had come for UNOPS to be managerially self-sufficient. He noted that the UAG had only met once in five years, and that the JIU considered that the ACC machinery would better serve the purposes for which the UAG had originally been conceived.

133. Thanking the JIU for its report and the ACC Secretariat for its rapid production of the note of the Secretary-General, the Executive Director stated that the partnership between UNDP and UNOPS had proven effective. He strongly supported the notion that there was no need to return to the drawing board of five years earlier for a reexamination of the original principles. He clarified that the MCC was not a mechanism of the Executive Board but had been established at the initiative of the Secretary-General. He agreed with the findings of the JIU with regard to the UAG, noting that the Group's credibility had suffered from being chaired by an organization that was not itself an actual user of UNOPS services.

134. The Executive Board took note of the report of the Executive Director on the report of the Joint Inspection Unit (DP/1999/25).

Follow-up to recommendations of the report of the Board of Auditors

135. Introducing the report on the follow-up to recommendations of the report of the Board of Auditors (DP/1999/24), the Executive Director stated that the implementation of the recommendations contained in the report of the Board of Auditors was ongoing. He noted that UNOPS had responded by, inter alia, improving its procurement procedures and drawing up guidelines for new types of contracts such as special service agreements. He stated that the UNOPS annual report provided an update on the implementation of the Integrated Management Information System (IMIS) and Y2K compliance.

136. Two delegations took the floor to comment on the report, with one delegation expressing satisfaction with the work UNOPS had undertaken in its country, and emphasizing that it was prepared to give UNOPS the authority it might need, as outlined in the reports of UNOPS, JIU and the Board of Auditors. A second delegation posed four specific questions on the report of the Board of Auditors concerning SSA contracts, IMIS and the status of UNOPS financial activities in 1999, Y2K compliance, and its procedures in possible fraud situations.

137. The Executive Director responded to the specific questions raised on SSA contracts and the issue of fraud. He noted that the role of UNOPS in fraud examination was limited to preliminary investigations into fraud allegations and that the final decision as to the outcome and follow-up action was made under the purview of a specific machinery set up for this purpose within UNDP.

138. The Chief Information Officer, UNOPS, stated that IMIS release 3 was in full production and that implementation should be completed by the end of the second quarter of 1999. Noting that the UNOPS implementation of IMIS still depended on expenditure data gathered from UNDP country offices, he expressed concern about still unresolved problems in obtaining that data. He provided a brief overview of Y2K activities in UNOPS, explaining that a joint UNOPS-UNDP Y2K team has been set up to work on areas of common concern.

139. The Executive Board took note of the report of the Executive Director on follow-up to recommendations of the report of the Board of Auditors (DP/1999/24); and requested the Executive Director to provide the Executive Board at its annual session 2000 with an updated overview of the implementations

of the recommendations of the Board of Auditors.

XIV. FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

140. The Assistant Administrator and Director, Bureau for Financial and Administrative Services, introduced the report on UNDP financial risk management; review of operational reserve (DP/1999/5/Rev.1), the report of the Advisory Committee on Administrative and Budgetary Questions on UNDP financial risk management; review of the operational reserve (DP/1999/26), and the conference room paper containing further clarifications by UNDP (DP/1999/CRP.9/Rev.1). She described the major elements covered by those reports, including the Administrator's recommendations for the revision of the formula for the calculation of the operational reserve for regular resources, the definition of the term "liquidity" and the levels needed by UNDP for its operations, and the establishment of a separate operational reserve for other resources. She noted that the formula for the calculation of the operational reserve for regular resources had been revised to take into account comments received from the Advisory Committee on Administrative and Budgetary Questions (ACABQ), and that the recommended revision was presented in document DP/1999/CRP.9/Rev.1.

141. Two delegations expressed their support for the recommendations as revised. One delegation noted that financial risk could be reduced by early payment of pledged contributions, as well as through tighter controls on expenditure and training of local staff, also noting that the effects of the multi-year funding framework (MYFF) should be reviewed in due course.

142. The Assistant Administrator confirmed that the operational reserve for regular resources would indeed be reviewed based on the experience of the MYFF.

143. The Executive Board adopted the following decision:

99/9. UNDP financial risk management; review of operational reserve

The Executive Board

1. Takes note of the report of the Administrator (DP/1999/5/Rev.1) and of the further clarifications contained in document DP/1999/CRP.9/Rev.1;

2. Notes the approach recommended by the Administrator to determine United Nations Development Programme liquidity;

3. Supports the recommendation of the Administrator for the establishment of a reserve for other resources activities and the mechanism for its funding;

4. Approves the recommended formula for the calculation of the level of the operational reserve for regular resources (see annex); and decides to reduce the factor used to calculate the liability and structural risk component of the reserve from 25 per cent to 10 per cent.

16 June 1999

Annex

FORMULA FOR THE OPERATIONAL RESERVE FOR REGULAR RESOURCES

The formula for the calculation of the level of the operational reserve for regular resources is:

The sum of the following components:

1. Income component. The equivalent of 10 per cent of the average of the annual voluntary contributions received over the most recent three years, rounded to the nearest $1 million;

2. Expenditure component. The equivalent of 2 per cent of the average total annual expenditure incurred over the most recent three years, rounded to the nearest $1 million;

3. Liability and structural risk component. The equivalent of 10 per cent of the sum of the income and expenditure components, rounded to the nearest $1 million;

4. Cash-flow component. The equivalent of the cash needs for one month, calculated as one twelfth of the total expenditure of the most recent year, rounded to the nearest $1 million.

UNDP/UNFPA segment

X. INTERNAL AUDIT AND OVERSIGHT

144. The Associate Administrator introduced the report on UNDP internal audit and oversight activities (DP/1999/23). The report provided details on the internal audit and oversight services of the UNDP Office of Audit and Performance Review (OAPR) for the year ended 31 December 1998. He noted the progress in implementing the accountability framework, including through the control self-assessment exercise, and informed the Executive Board that staff had been identified to fill 12 of the 13 vacant posts in OAPR. The Associate Administrator also highlighted aspects of recurring issues referred to in the report, including cash management, payment of government local office contributions, programme reporting, procurement of goods and services, and the financial management system. He stated that UNDP would continue to work with the United Nations External Board of Auditors to increase compliance on nationally executed projects. Both the outgoing and incoming Administrators were committed to a culture of accountability in UNDP.

145. In introducing the report of the Executive Director on UNFPA Internal Audit and Oversight Activities in 1998 (DP/FPA/1999/8), the Deputy Executive Director (Policy and Administration) noted that in 1998, the Fund's efforts in the areas of internal audit and oversight were guided by four main objectives, namely, to systematize the analysis of and follow-up to audit findings; expand audit coverage; establish linkages in the analyses of the findings of internal and external audits and other oversight exercises; and promote an accountability culture within the organization. He reported briefly on each of the four areas. He underscored that the report before the Executive Board was indicative of the importance UNFPA accorded to the promotion of an accountability culture within the organization. In line with the open and candid relationship that the Fund enjoyed with the Board, the report was very frank with respect to the areas requiring improvements identified through the Fund's audit and oversight activities. He added that such self-assessments were very much a part of the internal deliberations within UNFPA. The UNFPA Executive Committee, composed of all the Division Directors, regularly had on its agenda issues related to audit findings and the findings of other oversight activities. These were discussed in depth, and follow-up action was determined with a view to strengthening the efficiency and effectiveness of the Fund's programme delivery. Such follow-up action was monitored systematically. He assured the Board that UNFPA was fully committed to ensuring probity and accountability at all levels of UNFPA operations. With due recognition of internal audit and oversight activities as important accountability measures, UNFPA also regarded them as management tools that enabled the organization and its staff to be self-critical, to learn and, ultimately, to perform better.

146. The Executive Director of the United Nations Office for Project Services (UNOPS) introduced the report on internal oversight of UNOPS (DP/1999/22/Add.2). The report provided details on internal audit services provided by OAPR on UNOPS operational activities for the year ended 31 December 1998. He noted that the clients of UNOPS were its toughest auditors, as the Office was under their constant scrutiny. He also noted the successful business plan strategies of UNOPS and expressed the view that the Office could make further improvements in staff training and information technology.

147. Several delegations took the floor to thank the three organizations for their reports and for the commitment to implementation of the recommendations of internal and external audit and oversight bodies. One delegation underlined the need for further inter-agency coordination in audit and oversight, and requested that UNDP, UNFPA and UNOPS coordinate their reports in the future, so that the reports had a similar format, or possibly consider producing a combined report.

UNDP

148. Speakers expressed support for the clear role and structure of OAPR, with its responsibility for the accountability framework, control self assessment exercise, and review and oversight functions. Concern was raised about the vacant posts in OAPR as described in the document. However, the progress announced in the opening remarks was noted.

149. Some speakers requested more information on compliance, including data on the implementation of audit recommendations for previous years as well as the current review year. One delegation requested that UNDP issue the results of the outcomes of new special audits, referred to in paragraph 37 of document DP/1999/23.

150. One delegation, supported by others, raised a query regarding the follow-up to rejected audit recommendations referred to in paragraph 14. The speaker noted that significant risk to the organization could result if recommendations were rejected. He also noted that in his country the head of internal audit was required to provide information on an annual basis on whether control systems were adequate, including with regard to material loss. A similar statement by UNDP in its report would be useful in contributing to the work of the Executive Board in its overall corporate governance.

151. Concern about submission of audit reports for nationally executed projects was raised by several speakers. One delegation, supported by others, requested the setting of annual targets for the provision of audited financial statements for nationally executed projects. Another delegation commended the increase in nationally executed projects and encouraged its further use in order to foster ownership and capacity in programme countries and reduce overhead costs. The speaker, noting the need for evaluation and audit of nationally executed projects, requested UNDP to strengthen the capacity of its country offices in the area of implementation of national execution.

152. The Director of OAPR noted that with regard to nationally executed projects, targets had been set but not met because of late receipt of audit reports, cases where the reports had not been completed, or because some programme countries had not identified suitable auditors. In response to a query raised regarding the progress in the investigation on the Reserve for Field Accommodation, he informed the Executive Board that measures were under way to prosecute those who had engaged in criminal activity. The Director informed the Board that while the control self assessment exercise had been partially designed to address the issue of control breakdowns, there had not yet been an overall global assessment of UNDP and that it would be too early for him to issue the kind of statement on control systems requested during the discussion.

UNFPA

153. During the discussion a number of delegations stated that they were pleased with the Fund's commitment to implement the recommendations of the auditors and were particularly pleased with the progress UNFPA had made in closing operationally completed projects. One delegation welcomed the Fund's broadening partnership with civil society and government units and the participatory approach to programme development. It was pleased to note that UNFPA had embarked on a results-oriented approach to programming. Some delegations, while expressing concern about the audit findings regarding marginally deficient offices and unclear lines of accountability, urged that systematic monitoring be undertaken and that the lines of accountability be clarified. Another delegation expressed appreciation for the Fund's efforts to promote a culture of accountability. One delegation noted that the high level

of UNFPA execution was a matter of concern and urged that there be a balance between UNFPA procurement and national capacity building in procurement and logistics management. Two delegations asked when the Programme and Procedures Manual would be completed and expressed concern regarding the slow pace of its preparation and issuance. One delegation asked how many completed projects had remained unclosed in 1998. Another delegation observed that while lessons learned were well identified they were not always acted upon and some problem situations appeared to have become chronic. The delegation added that it had prepared a list of key issues that needed to be addressed and would share those with the Fund's senior management.

154. One delegation, while welcoming the self-critical nature of the report and the progress made during 1998, expressed concern that it remained unclear whether or not the objectives of the regional programmes had been achieved. The delegation requested further information on the impact of the regional programme and asked what conclusions had been drawn from the recent evaluation of execution modalities. The same delegation stated that the management information systems of UNFPA and UNDP should be compatible. Another delegation suggested that the report should have the format of a progress report so that a year-by-year comparison could be made of progress achieved in implementing audit recommendations. One delegation stated that the value of the internal audit and oversight reports of UNFPA, UNDP and UNOPS would be enhanced if illustrative examples were included and if the three organizations either produced a joint report or else prepared reports with an identical format.

155. The Deputy Executive Director (Policy and Administration) thanked the delegations for their comments and questions and noted that UNFPA execution had declined in 1998, further pointing out that about 50 per cent of the execution concerned procurement. Nevertheless, UNFPA would look into the matter and would continue to emphasize national execution and national capacity building. With regard to the Policies and Procedures Manual he pointed out that all sections of the programme manual had been completed and disseminated and the programme guidelines were also available on the Intranet. The Finance and Personnel manuals were in the process of being finalized. Concerning the closure of projects, he noted that over 1,700 projects had been closed. He added that data on the current status of projects awaiting financial closure would be provided later after verification.

156. The Chief, Office of Oversight and Evaluation, noted that the number of projects to be closed was a moving target since additional projects regularly continue to be completed. However, the Fund now had a system in place to identify dormant projects. She welcomed the suggestions regarding the format of future oversight reports and noted that such guidance was both helpful and appreciated. Regarding the regional programme, she pointed out that country offices had been actively involved in the formulation of the new intercountry programme to be submitted to the Executive Board in January 2000. The new intercountry programme would have explicit linkages between its components and the country programmes. Concerning the interface between UNFPA Integrated Field Office System (UNIFOS) and the Automated Field Office Accounting System (AFOAS), she noted that the introduction of the Integrated Management Information Services (IMIS) would help to alleviate the problem. She noted that UNFPA was addressing the chronic problems mentioned in the report, however, it

should be borne in mind that change did not occur overnight: first awareness had to be created and then behaviour could be changed. She added that UNFPA looked forward to receiving the list of specific issues mentioned by one delegation.

157. The Executive Board took note of the reports on internal audit and oversight activities of the United Nations Development Programme, the United Nations Population Fund, and the United Nations Office for Project Services (DP/1999/23, DP/FPA/1999/8, and DP/1999/22/Add.2).

XV. FIELD VISITS

158. The Permanent Representative of Kyrgyzstan to the United Nations introduced the report on the field visit to Brazil (DP/1999/CRP.8). She noted that the mission had been the largest field trip in the history of UNDP, with a delegation comprising 17 people from 16 countries, representing both donor and programme countries. The team had met with representatives of the Government of Brazil, UNDP, UNFPA, other United Nations agencies and international organizations, international financial institutions and the people of Brazil. The delegation had been favourably impressed with the relationships of UNDP and UNFPA with the Government, which were no longer dependent on donor/recipient relationships but genuine and equal partnerships.

159. The Deputy Director of the Office of Population, Bureau for Population, Refugees and Migration, United States Department of State, in introducing the team's comments on the UNFPA programme in Brazil, noted that Brazil had long been a country of contrasts. It had the world's eighth largest economy but ranked only 62nd in terms of its human development index. Some regions were very advanced, while others lacked many basic services, and income distribution was highly skewed between rich and poor. Working women were better educated than working men, but earned only 60 per cent as much. The current Government had expressed a commitment to reduce social inequalities but adverse economic developments such as the devaluation of currency had threatened progress, especially for the poor and women. The decentralization of government to improve accountability and service delivery was well under way in Brazil, a factor that presented special challenges to state and local officials in the poorer regions in the country - challenges that UNFPA and UNDP were addressing in their programmes. Turning specifically to the UNFPA programme, she stated that outside assistance to Brazil in reproductive health was limited to a few bilateral donors and international foundations. She noted, however, that the World Bank and the Inter-American Development Bank (IDB) had provided substantial assistance in the broader health sector and for combating HIV/AIDS. To maximize the effectiveness of its own limited resources, the team encouraged UNFPA to enhance its information-sharing and project collaboration, for example, with the World Bank on HIV/AIDS, and with other relevant donors in Brazil. The team believed that geographic concentration of programme resources was an effective strategy.

160. The representative of the United States and one of the team's rapporteurs gave a presentation on the UNDP programme in Brazil. He noted the rapid increase in Brazil's programme and observed that Brazil had been responsible for a large portion of programme delivery in Latin America. However, he observed,

one reason for the size of the Brazil programme was that Brazil was a large country. As a total percentage of government expenditures, the resources that UNDP oversaw in terms of government cost-sharing and loans from the World Bank and IDB was a very small part of the overall budget. The speaker then highlighted the team's observations and recommendations, contained in document DP/1999/CRP.8. Overall, the team had concluded that the UNDP/Brazil programme was remarkable for its success in increasing the impact and efficiency of government and development bank funding and in pioneering readily replicable sustainable human development (SHD) programmes.

161. The Permanent Representative of Brazil was pleased to note that the report had presented a positive assessment of UNDP and UNFPA activities in Brazil. UNDP would continue to be an important development partner of both public and private sector development and civil society in Brazil, with the common objective of achieving SHD. The programme had evolved over the years to reflect the changes in the state of development of Brazilian society and the decentralization of the Brazilian State. Brazil was a country of continental dimensions, whose economy was among the 10 largest urban industrial economies in the world. While the country was rich in human and natural resources, it still had a long way to go in the fight against social exclusion and the eradication of poverty. UNDP was an important ally in this endeavour. Continued and priority attention must be given to sustainability, capacity-building and the implementation of exit strategies. The Government and UNDP were fully committed to facing these challenges. The Government also attached great importance to technical cooperation among developing countries. The Brazilian Cooperation Agency developed TCDC programmes with South American, Central American and the Caribbean countries, as well as with African countries, particularly with those with a Portuguese-speaking population, and with countries in Asia and Eastern Europe. The members of the Board had visited some of the most important UNFPA projects developed in the poorest areas of Brazil. As suggested in the report, however, the Government believed that a greater degree of operational flexibility could, in the end, make UNFPA activities in Brazil even more efficient. The speaker then expressed the gratitude of his Government to the Executive Director of UNFPA and reaffirmed Brazil's commitment to the Cairo Programme of Action as well as to the success of the ICPD+5.

162. The Executive Secretary, International Cooperation, Office of the Prime Minister for Peru, noted that in her country, as in Brazil, fund-raising, the management of non-core funds and national execution were very important. Peru had reinforced "partnership for development", a concept that, as in Brazil, had made a positive influence on the Government.

163. Delegations that had taken part in the mission commented on the report and its findings. Many underlined the major contribution of UNDP to sustainable human development programmes in Brazil and the high impact of its cooperation with the Government. Most emphasized the major contribution of UNDP to a country that continued to have social and regional disparities and a need for targeted poverty eradication efforts. One speaker emphasized the strong regional programme in Latin America and the Caribbean, with important interregional initiatives. Concern was expressed about the effects of the Brazilian financial crisis and the possible related setbacks in environmental

and social progress. One delegation called for the role of UNDP in advocacy to focus more on the need for long-term economic reform.

164. Several delegations stated that the Brazil programme was a very sophisticated one and the role that UNDP played in Brazil was catalytic, involving partnerships not only with the Government and the regional groupings, but also with the World Bank, IDB and bilateral donors. Some underlined the cooperation as a very good example of how UNDP could work with the World Bank and regional development banks. Other speakers noted that the UNDP programme in Brazil successfully supported many of the same objectives of their bilateral cooperation programmes. Both the Resident Representative in Brazil and the UNFPA country representative were praised by the team members who took the floor.

165. Delegations taking the floor engaged in a lively interchange regarding the references in the report to cost-sharing. While several speakers underlined the very positive effects that cost-sharing had had on the UNDP programme in Brazil, some others felt that the high volume of its use in Brazil raised questions that UNDP and the Executive Board should consider. The Government was very much in control of the programme, according to one speaker, who also cited the dynamic development process in Brazil, where the Government, World Bank and UNDP had unique and complementary roles. It had been observed while on the mission to Brazil that the UNDP staff were constantly ensuring that activities were within the organization's mandate. The value-added of UNDP was apparent in the excellent expertise it provided as well as in the Government's high regard for the organization. Another delegation stated that cost-sharing in Brazil was extremely effective and positively linked to results-based management. Lessons learned were spread and internalized faster than in other programmes and greater impact was achieved. The cooperation in Brazil was a direction in which the organization should be headed and it utilized the comparative advantage of UNDP in resource management in a positive way. One speaker underlined the unique role of UNDP in net contributor countries (NCCs), which could lead to the establishment of a separate category of UNDP cooperation. She suggested that the Executive Board review the question and find a suitable format for the management of NCCs. Some speakers noted that while cost-sharing was presently concentrated in NCCs, it could also be applied in other lower-income programme countries.

166. Those who raised questions about cost-sharing drew attention to several factors. One delegation noted that its Government had always taken a critical view on expanding cost-sharing in UNDP. The role of UNDP in Brazil was not clear, according to the speaker, as it was neither the funder nor the coordinator of United Nations technical cooperation. Instead, UNDP performed all of the functions of a consultant without being subject to competitive bidding. The World Bank and IDB seemed to see the comparative advantage of UNDP in its ability to procure and hire project personnel quickly, areas that her delegation felt were outside the organization's mandate. The sustainability of such cooperation was a concern in that it could be substituting for government capacities instead of building them.

167. Another delegation raised several issues relating to the legal and accounting issues linked to cost-sharing and the difference of overhead costs

charged by the UNDP office in Brazil as compared with that charged by the United Nations Office for Project Services.

168. One speaker emphasized that the multi-year funding framework (MYFF) had been adopted in order to increase core resources not because the Executive Board felt that non-core resources had become disproportionately important. If cost-sharing programme were to spread, then it would seem that the MYFF was being adopted for no reason since it would not resolve the problems relating to the proportion of core and non-core resources. The speaker also made the point that while the issue of national sovereignty had arisen, the Board still retained the right to raise questions about national funding strategies.

169. There was a difference of opinion about the linkage between a rise in cost-sharing and the level of core resources. In that regard, many speakers stated that it was essential that non-core funding be examined closely by the Executive Board, to be sure that activities were commensurate with the mandate of UNDP. It was foreseen that discussion on non-core resources would be taken up in the context of the MYFF. Elements for the Board to examine included exit strategies, the recovery fee and applicability of the model to other regions.

170. Some delegations expressed concern about the content of paragraph 16 of the report, which concerned the United Nations House and the comments from some of the United Nations agencies that a move to a United Nations House might increase costs because of the different ways in which agencies were organized. One delegation thought that this problem might be encountered in a number of countries and would not like the report or the Executive Board to leave the agencies in Brazil with the impression that because it might be too difficult that they should not work on the issue. He thought the Board should come back to it at some stage when it considered the wider question of the development of the United Nations House in a number of programme countries.

171. Some delegations commented on paragraph 27 (b), which contained a general observation about UNDP and the Government of Brazil developing an UNDAF. Plans to continue the plans to develop an UNDAF in Brazil were generally supported.

172. One speaker recommended that the Executive Board review the Brazil country programme from time to time as its size and nature raised questions on UNDP principles and policies; the discussion should not be limited to the presentation of the country cooperation framework.

173. Delegations expressed great support for the work of UNFPA in Brazil. One speaker stated that UNFPA should be applauded for respecting the country programme and for being highly efficient with a limited amount of resources. Another delegation underlined that the UNFPA programme was enhancing the lives of many of Brazil's poorest people.

174. The Resident Representative in Brazil responded to the comments made. Addressing initially the concern about an exit strategy, he noted that there were many examples in Brazil of not only projects but also sectors and regions that had been exited. For example, in the past, UNDP had concentrated on the transfer of high technology, particularly in telecommunications, an area in

which it was no longer active. In response to the suggestion of one delegation, he underlined that UNDP would welcome increased monitoring of its programme by the Executive Board. He noted that Brazil was currently preparing the common country assessment (CCA). Although it was intended to complete the UNDAF exercise in 1999, it would probably not be finished until early 2000. With regard to the United Nations House, an inter-agency mission had recently visited Brazil to explore the possibilities of leasing a common United Nations premise or constructing a building in a jointly owned United Nations property. The Government had given to the United Nations a lot of 20,000 square meters, on which the United Nations could construct its own premises. He anticipated that the mission would recommend a proposal for the construction of common premises, with UNDP and UNFPA initially inhabiting the site and other agencies joining later on. In response to the comments made during the discussion, the Resident Representative wished to dispel the idea that UNDP was in any way underpricing itself in order to eliminate the competition from the private sector or consulting firms. To the delegation that stated that UNDP used national execution and charged only three per cent in overhead costs, he stated that those projects were government-executed projects with the Brazilian Cooperation Agency providing support to the other implementing sectors and ministries and UNDP supporting the Agency in order for it to discharge its executing capacity. The overhead charge was only three per cent because the Government did the work, with UNDP supporting and facilitating at times. The Government had repeated that it valued UNDP for many different reasons apart from its expediency and speed. He noted that programme delivery in Brazil in 1999 was likely to drop in dollar terms because of currency fluctuations.

175. The UNDP country office in Brazil was looking for ways to share its experience with other country offices. In response to comments raised regarding the clarity of the role of UNDP in Brazil, the Resident Representative noted that at times the Government advised UNDP to assist in implementation projects that were highly sensitive and could not be done by the private sector. While the UNDP core budget was financing eight posts in Brazil, over 50 posts were financed through extrabudgetary resources - thus, in the case of Brazil, the non-core was subsidizing the core.

176. The Assistant Administrator and Director of the Regional Bureau for Latin America and the Caribbean stated that the concerns raised by the Executive Board about the need for further scrutiny of cost-sharing in the Brazil programme, especially with regard to the links between headquarters and the country office, had been discussed at length with the resident representative. The MYFF, with its introduction of the strategic results frameworks (SRFs), would create a slightly different situation in the future. With the use of the SRFs and the compacts, the bureau directors and the Bureau for Planning and Resource Management would, through the annual reporting mechanisms, be able to monitor whether the alignment of the sustainable human development of non-core programmes and projects was indeed maintained. It would also ensure that issues related to capacity-building and exit strategies were properly built into the programmes and projects when they were approved. She noted that a regional auditing facility had recently been opened in Panama and also that the Brazil office had undergone an internal audit in 1998 and would undergo an external audit in autumn 1999. Internal audits, including management audits, were carried out frequently in cases of country offices that managed relatively large

sums of money. It was necessary, she noted, to allow the UNDAF exercise to progress before discussing whether it would be necessary to introduce separate or more flexible guidelines for countries with large non-core accounts. She underlined that the CCA bonded the members of the country team and led to common understanding and analysis in the country. The Assistant Administrator also responded to the comments on the three per cent recovery fee. She noted that the work was undertaken by the Government, and that up until the present time, the three per cent, in terms of the use by the country office, was invested in upgrades to computer equipment and programmes, recruitment of additional country-office local professional staff and during design of the programme. Thus, the money allowed the office to reinforce the competencies needed for efficient and effective programme management.

177. The Assistant Administrator and Director of the Bureau for Planning and Resource Management noted that recent discussions in the Executive Board had focused on the overall management accountability and role of the Board and Administrator with regard to non-core resources and on the issue of non-core subsidizing core resources. The decision on national execution had been incorporated in the new programming manual and implemented through directives of the Administrator. On the issue of cross-subsidization, he noted that there was agreement that global targets for recovery of marginal cost increases for non-core resources had been met. However, UNDP would seek, in the context of its budget strategy for 2000-2001, to increase it cost-recovery from non-core resources. He emphasized that the MYFF would be a powerful tool for the oversight of non-core resources. He also noted that the Brazil country office had consistently achieved high ratings for its capacity in finance, administration and operations. Moreover, many offices in Latin America had been leaders in developing good systems and UNDP had benefited as a whole from the region's experience. The Assistant Administrator pointed out that there did not seem to be a linkage with decreased core contributions from those donors contributing higher amounts in non-core resources. In looking ahead, he stated that an analysis of income projections for the period 2000-2003 had shown a slight decrease in the relative share of government cost-sharing, relative to other non-core resources and core resources.

178. The Director of the UNFPA Latin America and Caribbean Division thanked the Deputy Director of the Office of Population, Bureau for Population, Refugees and Migration, United States Department of State, for the presentation on UNFPA activities in Brazil and the representative of Ireland for the comments on the visit to the State of Ceara. In that regard, she appreciated the very positive comments in the report regarding the UNFPA programme. In particular, she noted the approval of the targeted approach of UNFPA to the poorest area of Brazil, following a strategy that the organization was undertaking in its larger programme countries. She also noted that decentralization would continue to be a key factor in future UNFPA programmes, so that implementation would take place at the local level. She underlined the importance of the field visit to UNFPA and noted that the report would be sent to all the offices in that region. It was essential for the Executive Board to witness the tangible results of the operations that it had approved for the countries concerned.

179. The Executive Board took note of the report on the field visit to Brazil (DP/1999/CRP.8).

UNFPA segment

XI. REPORT OF THE EXECUTIVE DIRECTOR FOR 1998

180. In her introductory remarks the Executive Director noted that much had happened in the two months since the Executive Board's second regular session, especially in the ICPD+5 appraisal and review process, which was now drawing to a close. She thanked the Executive Board and the Bureau for the careful and constructive guidance they provided to UNFPA and noted that the Fund sincerely valued the professional dialogue and partnership that it enjoyed with the Board. She recalled the moving tributes paid in the previous week to the outgoing UNDP Administrator, James Gustave Speth, and noted that it would be fitting to pause for a moment to honour his service to the United Nations and to the cause of development and above all, to wish him the best of luck in his future endeavours. She also welcomed the new Administrator and stated that UNFPA looked forward to working with the new leadership at UNDP.

181. The Executive Director focused on presenting some highlights of the past year and also noted some of the continuing challenges. She underscored that 1998 had been a very intense and productive year for UNFPA. For one thing, a very large number of new UNFPA country programmes were started during the year. UNFPA country offices had focused on applying new programming tools such as the logical framework (logframe) analysis, and on bringing new programmes quickly to full speed. They had also participated in an increasing number of coordination processes and activities, including the United Nations Development Assistance Framework (UNDAF) pilot phase. At the same time, 1998 was a year of review and assessment, of looking back at what had been accomplished in the first four years after the International Conference on Population and Development (ICPD) and of applying those lessons to ongoing and new programmes. As was illustrated in the annual report, through the commitment of programme countries, UNFPA country programmes continued to make progress in the directions provided by the ICPD and in the priority areas identified in decision 95/15, namely, reproductive health, including family planning and sexual health, population and development strategies, and advocacy.

182. To be sure, many challenges and critical needs remained. Some areas needed special attention as was evident from the discussions during the meetings of the ICPD+5 preparatory committee, as well as from the Fund's own reviews. These included the full operationalization of reproductive health; adolescent reproductive health; reproductive health in emergency situations; ageing; migration; population movements; issues of data collection, analysis and policy formulation. Also needing special attention were the linkages between reproductive health and gender issues as well as the interrelationships between population, environment and development. Each of these areas was important not in isolation but as part and parcel of development itself and national development strategies in particular. The lessons learned from UNFPA-assisted programmes in the area of reproductive health revealed, inter alia, that programme implementation was sometimes slow due to a number of factors, including limited health infrastructure, the inherent complexity of administrative and service integration, limited understanding sometimes of key concepts, weak management systems, inadequate coordination among donors and

limited resources to provide the full package of services. UNFPA endeavoured to address those constraints as best it could, in collaboration with national partners and in cooperation with other organizations and donors. She observed that a number of other specific issues in reproductive health were referred to in the annual report, including UNFPA activities undertaken in collaboration with other organizations and donors, including WHO, UNICEF and the World Bank, to reduce maternal morbidity and mortality, provide adolescent reproductive health information and services, provide reproductive health services in special situations and help prevent the spread of HIV/AIDS. In 1998, UNFPA had continued its very active role within UNAIDS and had supported HIV/AIDS-prevention activities in 130 countries.

183. She noted that it was important to mention that, despite the controversies that seemed to surround some of those issues when they were discussed at the global level, the situation was generally quite different at the country level. For example, concerning adolescent reproductive health, a pragmatic and practical approach seemed to prevail at the country level with effective collaboration and partnerships among political leaders, community groups, religious leaders, and non-governmental organizations including youth groups. Clearly, it was an issue that should be dealt with within a country's own particular needs and circumstances. Indeed, in the course of the past year, most country programmes addressed adolescent reproductive health issues in one way or another. For example, population education, including issues of reproductive health, was provided in the school systems in more than 90 countries.

184. In the area of population and development, a number of strategic activities were carried out during the course of the year, assisting countries for example in data collection and analysis, providing reliable and relevant information for policy formulation and programme development and for monitoring and evaluation and helping countries to understand the complex linkages between population and development. UNFPA had also provided support for such issues as ageing, migration, and population change and economic development. In the area of advocacy, the past year had been an intense one for UNFPA, with effective advocacy components supported in all country programmes, as well as a number of high visibility events and activities undertaken to contribute to an increased overall understanding among the public at large and decision makers about the important part population issues had in sustainable development and in all aspects of people's lives.

185. Much time and energy were devoted, in 1998, at all levels of the organization to the continued implementation of United Nations reforms and to expanding and deepening partnerships with all parties, both within the United Nations system as well as with civil society groups. UNFPA had been fully engaged in the many initiatives under way within the United Nations Development Group (UNDG), including most notably the Group's efforts to develop the Common Country Assessment (CCA) and the UNDAF.

186. The Executive Director updated the Executive Board on the Fund's income situation. Regrettably, since her last report to the Board in April, the projection for general resources had had to be revised downward to about $255 million. However, the resource target for supplementary income remained the

same at about $40 million. The UNFPA resource situation reflected the absence of one major donor, but one that UNFPA hoped to have back among its major donors very soon. The recent continued decrease in dollar terms also resulted from the unfavourable exchange rates of European currencies against the dollar. Given the lower projection of general resources, for the first time in many years UNFPA had had to reduce its expenditure ceilings. She assured programme countries that as the resource situation improved, UNFPA would immediately accelerate implementation in line with approved country programmes. She concluded by expressing her deep gratitude to all UNFPA donors and in particular to the Fund's major donors. She conveyed her special thanks to Japan, the Fund's number one donor, and to all the other major donors and the many donors who had increased their support to UNFPA in 1998 and in the current year -- Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, New Zealand, Spain, Sweden, Switzerland, the United Kingdom and the United States of America. She also took note of and thanked the many programme countries contributing to UNFPA.

187. During the discussion several delegations commended the work of UNFPA and underscored the Fund's efficient and effective implementation of programmes. Three countries announced their contributions to UNFPA: Japan pledged $48.2 million in 1999; the Netherlands pledged approximately $40 million; and the People's Republic of China pledged $820,000. Several delegations expressed concern regarding the downward trend in resources, and some delegations expressed the hope that the multi-year funding framework (MYFF) would have a positive impact in increasing resource flows to UNFPA. Many delegations expressed appreciation for the support and assistance UNFPA had provided to their countries. Numerous delegations observed that it had been a very productive year for UNFPA, and they commended the Fund's committed efforts in the ICPD+5 review and appraisal process. Many delegations also noted that they were encouraged by the Fund's sustained efforts undertaken in the context of the United Nations reform process. One delegation was pleased to note that the UNDAF process had provided a setting for identifying areas of convergence among organizations and had highlighted the need for harmonization and joint programming. The delegation was encouraged to know that the majority of CCA and UNDAF processes had devoted adequate attention to follow-up to the recent United Nations global conferences. The delegation observed that there now appeared to be a real momentum in the reform process. The delegation added that it looked forward to seeing how the sector-wide approach process would be integrated into the reporting of UNFPA activities in subsequent years. Another delegation asked for further details concerning involvement in the UNDAF, particularly at country level, and regarding notable achievements through advocacy, as for example concerning female genital mutilation (FGM). Some delegations noted that they would have preferred a more analytical report.

188. Several delegations stated that they were pleased with the Fund's focus on the three core programme areas of reproductive health, including family planning and sexual health, population and development strategies and advocacy, as well as with the Fund's efforts to increase its collaboration with other United Nations agencies and organizations, civil society, including NGOs, and the private sector. Some delegations encouraged UNFPA to continue its work with the World Bank, in particular. A number of delegations were pleased to note the emphasis UNFPA placed on HIV/AIDS prevention and commended the innovative

approaches supported by the Fund. One delegation pointed out that HIV/AIDS was closely related to drug abuse and UNFPA could share its expertise with the United Nations International Drug Control Programme (UNDCP). Some delegations commended the Fund for its work in the area of international migration, including its collaboration with the International Organization for Migration. One delegation wondered whether international migration was an area in which the Fund had a comparative advantage.

189. A number of delegations stressed that UNFPA had a key role to play in maternal mortality reduction, including through supporting the Safe Motherhood initiative. Some delegations underscored the close linkages between women's empowerment and maternal mortality reduction. Several delegations stated that the Fund's Global Initiative on Reproductive Health Commodity Management should be institutionalized. One delegation stated that UNFPA could play a leadership role in promoting an increased role for the private commercial sector in reproductive health service provision beyond producing contraceptives. The delegation added that the Fund could also play a key role in promoting quality of care improvements. Many delegations praised UNFPA for the work undertaken in the area of adolescent reproductive health, and some delegations urged the Fund to assume an even greater role in championing the reproductive health needs of young people, given its relations with Governments and its links with religious leaders. One delegation praised UNFPA for being in the vanguard among United Nations entities in giving a voice to adolescents and NGOs in the ICPD+5 process. Another delegation congratulated the Fund for its pragmatic approach to adolescent reproductive health -- an area which appeared to be more controversial at the multilateral level than at the national level. One delegation emphasized the need to give adolescents guidance for moral development. Another delegation emphasized the need to ensure that adolescents had access to services and were involved in designing and implementing adolescent reproductive health policies and programmes. The delegation recalled that at the International Hague Forum its country had recommended that 20 per cent of all health assistance should be allocated to adolescent reproductive health.

190. One delegation stated that it was particularly impressed with the Fund's efforts in the area of emergency reproductive health and as a result had made a contribution to UNFPA for the procurement of reproductive health kits for the Kosovar refugees. The delegation encouraged UNFPA to make the results it achieved better known in order to secure wider public support in the major donor countries. It also noted that in dealing with population issues a cross-sectoral approach was required and added that UNFPA should narrow its focus within its priority areas and further enhance the efficiency and effectiveness of its activities. Another delegation congratulated the Fund for the excellent work that it was doing in a very difficult area. The delegation underscored the importance of the Fund's role in safeguarding reproductive health and reproductive rights, including when sector-wide policies were discussed. One delegation noted that further attention should be focused on addressing the issues of violence against women and male responsibility and involvement in reproductive health. Another delegation expressed concern at the slow pace of progress in the area of gender equity and equality and women's empowerment. It added that sociocultural values and laws frequently acted as barriers to women's

full participation in the development process and UNFPA support was needed to overcome those barriers.

191. One delegation stated that the Fund should not initiate policies but rather should implement and execute the decisions of United Nations policy-making bodies, and the Executive Board should see to it that the bodies did not make conflicting decisions. Also, when there was insufficient clarity regarding decisions, UNFPA should refer back to the relevant body in order to clarify ambiguities and to avoid disagreement.

192. One delegation stated that 40 per cent of its country's budget went to debt-servicing. Nevertheless, even with limited resources, it had accomplished much in implementing the ICPD Programme of Action, including establishing a law that protected the reproductive health and rights of youth and adolescents. The delegation underscored that the reduction of resources for the Latin American and the Caribbean region was an issue of grave concern and stated that the Executive Board should take note of it. Another delegation drew attention to the refugees in its country that had come from neighbouring countries as a result of the devastation caused by Hurricane Mitch. A heavy demand and burden had been placed on the country's social services. The delegation asked that such situations should be factored in when resources were being allocated. The delegation emphasized the need to focus on human beings in a holistic way.

193. One delegation, addressing the Fund's resource allocation system, saw a need to revise the system. It was necessary to review the validity of the criteria being used as well as their threshold levels. That was important since some very poor countries were in category C and some relatively affluent countries were in category B. The delegation emphasized that the per-capita gross national product criterion needed to be further strengthened when UNFPA revised its resource allocation system. It also asked, in view of the current shortage of resources, whether the shortfall in resources of the Fund should be borne proportionately by A, B and C countries or whether A countries should be given preferential treatment. The delegation supported the latter position. The delegation hoped that the Fund would take those points into account when it reviewed its resource allocation system in the year 2000, as requested by the Executive Board in decision 96/15.

194. One delegation applauded the Fund for the research work it had supported and hoped that the research findings were being translated into policy and programming. The delegation was surprised that no mention had been made of UNIFEM with regard to the Fund's support for the prevention of violence against women. The delegation was pleased to learn about the work of the UNFPA Special Ambassadors and asked how their efforts contributed to raising awareness on population and development issues. Another delegation was pleased with the Fund's advocacy efforts over the past year and noted that reaching diverse audiences with sensitive messages was not an easy task. It observed that one notable example of the Fund's efforts in the United States of America was the work of UNFPA Special Ambassador Waris Dirie who had been particularly effective in raising awareness about FGM. Her cover story in the most recent issue of the Reader's Digest would reach a readership of over 100 million worldwide, introducing an important issue that was unfamiliar to much of the world.

195. In her response the Executive Director thanked the delegations for their comments and questions. She also thanked the countries that had announced their annual contributions, and she appealed to all members to make early payments on their contributions so as to facilitate programme delivery. She reiterated the hope that countries would renew their commitment to implementing the ICPD Programme of Action at the upcoming United Nations General Assembly Special Session (UNGASS) on ICPD+5. She noted that with the development and adoption of the MYFF it was expected that the annual report would also become more analytical and results-oriented. Concerning the comment on policy making, she confirmed that UNFPA did not make policy, rather it implemented the policies made by the Executive Board and other United Nations legislative bodies.

196. As regards narrowing the focus of the Fund's programming, she pointed out that after the UNGASS UNFPA would review its priorities. Nevertheless, the bulk of UNFPA resources were allocated to two priority programme areas, reproductive health and population and development strategies. She added that within the Fund's mandate, at the country level UNFPA endeavoured to focus on the priorities of the country. In many countries, the Fund had limited the geographic focus of its programmes in order to maximize the impact of its programme efforts.

197. Regarding the Safe Motherhood initiative, she agreed that more strategic interventions were required and noted that UNFPA was working with other partners, including WHO, to move in that direction by selecting key strategic areas to focus on. She agreed with the observation that there were close linkages between women's empowerment and maternal mortality reduction. She noted that UNFPA planned to produce a maternal mortality update along the lines of its AIDS Update. She stated that the William H. Gates Foundation had contributed $50 million to Columbia University for work in the area of maternal mortality reduction, and UNFPA, WHO and UNICEF would collaborate with the university.

198. She stated that UNFPA had very good cooperation with UNAIDS, and the Fund's AIDS Update illustrated the range of activities that UNFPA supported in the area of HIV/AIDS prevention. The Fund would continue its close cooperation with UNAIDS of which it was a co-sponsor. Regarding UNDCP, she observed that UNFPA was already collaborating with that organization. She underscored that UNFPA collaborated with WHO in a number of key areas. Recently, following high-level consultations between WHO and UNFPA, it had been agreed that a joint letter would be issued delineating the areas of collaboration and cooperation among the two organizations. She added that UNFPA was, inter alia, supporting the WHO Special Programme of Research, Development and Research Training in Human Reproduction.

199. Regarding the query on FGM, she noted that laws against FGM had been passed in several countries, including Burkina Faso, Ghana, Senegal and Uganda. In the United Republic of Tanzania, sexual violence had been outlawed. A number of other countries around the world had established laws prohibiting violence against women. She stated that UNFPA collaborated with WHO, UNICEF, other United Nations agencies and NGOs in working towards the eradication of FGM. She added that UNIFEM was the Fund's key partner in efforts to prevent violence

against women and UNFPA had provided financial support for the UNIFEM programme in that area.

200. She underscored that UNFPA programmes were focusing on improving quality of care and of services. She noted that reproductive rights were a part of human rights as highlighted in chapter VII of the ICPD Programme of Action. As regards adolescent reproductive health, she stated that at the country level the Fund worked in accordance with the prevailing situation. She referred to the successful pilot programmes undertaken in the Islamic Republic of Iran which were now going to be introduced throughout the country.

201. Concerning the institutionalization of the Global Initiative, she stated that further discussion would be needed. With regard to the private sector, UNFPA was launching a new initiative involving the chief executive officers of leading multinational corporations.

202. Regarding the query on the UNDAF, she noted that UNFPA country offices participated actively in all the CCA and UNDAF activities at the field level. She observed that more work was needed regarding indicators. She added that UNFPA was also looking into ways to better cover population-related questions in the CCA so that the Fund would not be required to conduct a separate exercise.

203. In responding to the query on international migration, she noted that UNFPA had spent a modest amount of time and money on that area. She added that as per the instruction of the Commission on Population and Development, under the auspices of the ACC Task Force on Basic Social Services for All, a technical symposium on international migration had been organized. She observed that international migration was a key aspect of globalization and UNFPA had contributed to studies undertaken on the subject. In terms of overall funding, migration constituted a very small part of the Fund's programme.

204. As regards the resource allocation system, she stated that it would be reviewed in 2000. She noted that preferential treatment was accorded to countries in Category A. Nevertheless, she recognized that some countries in Category B also had acute needs. She agreed that resources in the Latin America and the Caribbean region were under pressure and that debt-servicing imposed a heavy burden on countries.

205. Concerning the Special Ambassadors, she pointed out that they were proving very successful. On a recent trip to the Philippines, Special Ambassador Geri Halliwell had drawn a great deal of attention. Similarly, Special Ambassador Keiko Kishi had made many appearances on television and in public to promote population and reproductive health issues. The Executive Director concluded by thanking the Executive Board for its advice and counsel and noted that UNFPA depended on the Board for its guidance.

206. The Executive Board took note of the report of the Executive Director for 1998 on programme priorities, statistical overview, programme effectiveness, regional and interregional overview (DP/FPA/1999/7 (Part I), (Part I/Add.1), (Part II) and (Part III) with comments made thereon.

207. The Libyan Arab Jamahiriya expressed its specific reservation to any language which suggests that any body of "reproductive rights" exists as international human rights. It stated its understanding that the body of human rights exists only as expressly stated in the universally agreed, binding, human-rights instruments, and that no new universally agreed rights can be created by implication or interpretation. Concerning emergency contraception, the Libyan Arab Jamahiriya objected to the use of the morning-after pill, noting that in the delegation's opinion, which was shared by some respected authorities in the health field, the pill was an abortifacient.

XII. WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITIES

208. The Deputy Executive Director (Policy and Administration) introduced the two reports before the Executive Board: Work plan for 2000-2003 and request for programme expenditure authority (DP/FPA/1999/9); and Status of financial implementation of country programmes and projects approved by the Governing Council and the Executive Board (DP/FPA/1999/10). He highlighted the salient points of the three main components of the work plan, namely, the resource situation in 1998; the projected income and the proposed utilization of programme resources; and programme expenditure authority of the Executive Director for 2000. He updated the Board on the income projections for 1999 and the work plan. Revised tables E and F for document DP/FPA/1999/9 were distributed to the Board with the new figures. He noted that the Fund now estimated the regular resources income for 1999 at $255 million. This figure did not include the contribution of one of the Fund's traditional major donors, which had figured in the original estimate at $25 million. UNFPA estimated supplementary resources for 1999 at approximately $40 million. This would bring to $295 million the revised estimate for the Fund's total income in 1999. This was approximately $10 million less than the estimate for 1998. In light of the need to revise the income estimates for the work plan period of 2000-2003, the revised estimated income from general resources would be $298 million in 2000; $319 million in 2001; $341 million in 2002; $365 million in 2003, resulting in the total income from general resources of $1,323 million. Based on the recent trends, supplementary resources in the work plan were calculated at $35 million annually, yielding a total income of $1,463 million for the work plan period.

209. The Deputy Executive Director noted that in part to ensure predictable and sustained, if not increasing, resources for the UNFPA-assisted programmes, a new multi-year planning, management and funding framework was being developed. He suggested that once the framework was adopted, it should replace the work plan. In this connection he informed the Executive Board that the Executive Director had set up the Office for Results-Based Management to continue to develop the multi-year funding framework (MYFF). He noted that UNFPA planned to submit the first such framework to the Board at its second regular session in 2000. Referring to document DP/FPA/1999/10, Status of financial implementation of country programmes and projects approved by the Governing Council and the Executive Board, he noted that the financial data showed the degree of timeliness of the implementation of programmes.

210. Several delegations expressed concern about the decline in regular resources in the past three years. Under the circumstances, it seemed overly

optimistic to base the work plan on an income of approximately $300 million in the year 2000, with a projected annual growth of 7 per cent over the remaining three years of the plan. One delegation recommended that the work plan be set at $1.2 billion for the four-year period, 2000-2003. Some delegations noted that it would be more realistic to assume an annual income growth rate of 5 per cent. Another delegation, while appreciating the fact that there would be no carry-forward from 1999 to the new work plan period, pointed out that at last year's annual session the Fund had agreed to review the methodology for the calculation of future income growth rates; however, the estimates for new programmable resources for the work plan period 2001-2003 were once again based on an annual income growth rate of 7 per cent. The delegation added that a realistic assessment of financial circumstances would not shed a negative light on the organization. Another delegation reminded the Board that the reservations it had expressed at the last annual session on income estimates now appeared to be well founded. A number of delegations queried the level of the operational reserve and wondered if it needed to remain at 20 per cent of general resource income for the year. It was suggested that the level of the operational reserve be reviewed. One delegation expressed concern at the increasing percentage of funds allocated to the support budget and asked why support costs could not be held below 20 per cent.

211. A number of delegations expressed confidence that the adoption of the MYFF would stimulate increased resource flows to UNFPA, inter alia, by demonstrating the clear links between programme resources and programme results. One delegation hoped that with the adoption of the MYFF the annual income growth rate would not be limited to 7 per cent but that income would increase more dramatically. Another delegation asked for clarification on the timing of the MYFF. Two delegations welcomed the Fund's high implementation rate and noted that it indicated the Fund's increased ability to assist programme countries. One delegation expressed concern about the tardiness of programmes. Another delegation, while noting the crucial importance of advocacy for the success of all programmes, urged that special attention be given to funding for that core programme area and that, at a minimum, UNFPA protect the existing share of resources allocated to the advocacy function.

212. In his response, the Deputy Executive Director (Policy and Administration) thanked the delegations for their comments. With regard to the gap between actual resources and projected income, he concurred that the Fund had perhaps been too optimistic in its estimates. He noted that while income had been declining over the past three years, the average income over the last ten years had not declined. Thus, the annual income growth rate had been based on the median average increase of income and the figure of 7 per cent had been used. He added that the use of an annual growth rate was essential for planning the intercountry programme and the Technical Support Services system. Hence, it was necessary that the Executive Board provide at least notional figures that could be used for planning purposes. In response to the query on the MYFF, he noted that originally it had been suggested that UNFPA should aim to submit the MYFF to the first regular session 2000; however, at the present time it seemed more realistic that the framework would be submitted to the second regular session 2000. With regard to the operational reserve, he pointed out that it would be reviewed at a later time. He observed that the level of 20 per cent of general resource income for each year had been set by the Board due to the uncertainty

of the Fund's income level and to enable it to meet unexpected income shortfalls. Concerning the support budget he observed it could not be reduced easily. The small percentage increase in the support budget was due to the reduction in regular resources. He underscored that with two exceptions the implementation of country programmes was on target.

213. The Director, Division of Finance, Administration and Management Information Services, further clarified that adjustments to the operational reserve could only be made at the end of the financial year when expenditure figures became available. He noted that the operational reserve was used to handle cash flow requirements given the uncertainty of incoming contributions. He added that during 1999 the Fund had had to draw down from the operational reserve on three occasions. He stated that a review of the operational reserve could be undertaken one year after the adoption of the MYFF and the first pledging session. Underscoring that the Fund's support budget was small and modest, he clarified that while the support budget as a percentage of regular resources had increased, the absolute amount had been reduced by $2 million. With regard to the MYFF, he was pleased to note the progress made in its development and he thanked the Executive Board for its support and guidance. He observed that given the complexity and the evolving nature of the MYFF process, the framework would be presented to the Board at its second regular session 2000. It was noted that following the presentation of the MYFF at the second regular session 2000, pledging could begin and continue until early June 2000. The results of the pledging could then be reported at the annual session scheduled for later in June 2000. It was anticipated that UNFPA and UNDP pledging sessions would be synchronized in 2001.

214. Following the response from UNFPA, one delegation again took the floor and conveyed its thanks for the frank explanations provided by the Fund. The delegation noted that the work plan methodology gave rise to certain problems; furthermore, the fluctuating currency exchange rates added to the problems. For example, the delegate's country had increased its contribution to UNFPA by 18 per cent in national currency but due to the unfavourable dollar exchange rate that increase had amounted to a decrease. The delegation cautioned that the MYFF would be unable to solve such problems and advised that the Executive Board should continue to pay attention to the issues. The delegation wondered if it might be possible for the Board to authorize two expenditure levels, a low ceiling and a high ceiling, which could be used by the Executive Director depending on the level of income. The delegation requested that UNFPA provide further information on the operational reserve at the third regular session 1999.

215. The Deputy Executive Director thanked the delegation for its constructive suggestions and stated that adopting two expenditure levels could serve as a useful interim measure.

216. The Executive Board adopted the following decision:

99/13. UNFPA workplan for 2000-2003 and programme expenditure authority

The Executive Board,

1. Notes programme resource planning proposals of the Executive Director as set out in document DP/FPA/1999/9;

2. Approves the request for 2000 programme expenditure authority at a level equal to expected new programmable resources for 2000, currently estimated at $224 million, and requests the Executive Director to report to the Executive Board whenever there are any significant increases or shortfalls in estimated income for the year 2000;

3. Notes the following estimates of new programmable resources for programme planning for the period 2001-2003: $242 million for 2001, $254 million for 2002 and $267 million for 2003; and requests the Executive Director to reconsider these estimates in the preparation of the multi-year funding framework;

4. Endorses the use of new programmable resources for multi-bilateral funding at $35 million per year for the years 2000-2003;

5. Requests the Executive Director to report on progress in developing the multi-year funding framework at its first regular session 2000 as envisaged in decision 99/5.

22 June 1999

XIII. INFORMATION AND COMMUNICATION STRATEGY

217. The Director, Information and External Relations Division (IERD) presented an oral report on the implementation of decision 97/13 on the UNFPA information and communication strategy. He highlighted the goals of the strategy at all levels, including at the programme country level to enhance the Fund's institutional capability to present its messages effectively using the best and most cost-efficient media possible. He noted that UNFPA addressed specific problems or goals with appropriate messages aimed at specific target audiences using the most efficient tools, inter alia, media, brochures, face-to-face meetings and special ambassadors. The Fund worked with allies where possible, including community and religious leaders, Government officials, celebrities, NGOs and United Nations organizations and agencies. In 1999, with support from the William H. Gates Foundation, for the first time UNFPA had helped to finance a television news film. The Director pointed out that international advocacy was very costly and the Fund had to rely on free broadcast time. The Fund's Face-to-Face campaign had united 18 European NGOs in a coalition to promote reproductive health, gender equality and equity and aid for developing countries. The campaign used Special Ambassadors, to help secure positive public attention and to create empathy and support for key issues of the ICPD

Programme of Action. The Face-to-Face campaign was being expanded to programme countries, using well-known nationals as Special Ambassadors to promote important activities. The Director noted that the main constraints UNFPA faced in carrying out its information, education and communication (IEC) and advocacy activities were a vocal opposition; limited resources; and a small staff. He stated that UNFPA was small; its issues were sensitive; and it was an easy target for opposition groups who frequently misrepresented the Fund's policies and practices and engaged in disinformation tactics. The Director stressed that in spite of those constraints the Fund's advocacy and information activities were improving every year and appeared to be having a greater impact.

218. Several delegations stated that they were impressed and pleased with the Fund's efforts and achievements in the areas of IEC and advocacy. A number of delegations expressed appreciation for what UNFPA had been able to accomplish with its small staff and limited budget. Several delegations commended UNFPA for its use of Special Ambassadors to raise awareness and promote population and development issues, including reproductive health, gender equity and equality and women's empowerment. Two delegations noted that the Special Ambassadors should be used in settings where they could be most effective. It should also be ensured that their efforts were sustainable over a period of time.

219. One delegation, while noting that UNFPA had undertaken effective advocacy using the media, suggested that the Fund should emphasize advocacy through various modes of entertainment. The delegation added that UNFPA should focus on collaborating with the Ministry of Health in each programme country to ensure the inclusion of population and reproductive health information in school text books and materials for adult education. The delegation pointed out that that would enable the Fund to reach a wider audience and concomitantly to dispel misinformation. The same delegation added that given the Fund's involvement in emergency reproductive health, efforts should be undertaken to ensure that the Fund's information and communication strategy was commensurate with the new situations in which UNFPA was working. Another delegation, while observing that it was very pleased that the impact of the Fund's IEC efforts was improving, stressed the need to continue working against disinformation in the area of population and reproductive health.

220. A number of delegations commended UNFPA for undertaking IEC and advocacy efforts in partnership with other United Nations agencies and non-governmental organizations (NGOs). Several delegations were also pleased to note the Fund's use of the Internet and multimedia channels to disseminate information and raise awareness. One delegation inquired about the Fund's experience with IEC in a South-South context. Two delegations sought information on the evaluation of the Fund's IEC and advocacy activities. One delegation asked how the technical report on advocacy was being used at the field level. Another delegation, while commending the many successful advocacy programmes supported by the Fund, noted that a documentary film produced on a literacy and reproductive health programme in Peru, supported by UNFPA, had won a prestigious award at an international film festival in Cuba in 1998. The delegation underscored that the award should be viewed not simply as an award for Peru but as one for the developing world. The delegation added that the award-winning film had also been used by other countries to help raise funds for reproductive health programmes.

221. In his response, the Director, IERD, thanked the delegations for their comments, suggestions and encouragement. He noted that UNFPA was working on advocacy through entertainment modes but that it was an expensive undertaking. He added that the Fund would continue to expand its collaboration with the Ministry of Health and the ministries of development in programme countries. He observed that UNFPA had responded very promptly to the Kosovar refugee crisis and had been able to raise a lot of resources for Kosovar refugees, as well as for refugees in Africa, including those in the United Republic of Tanzania. He noted that all UNFPA-supported programmes included advocacy activities. As regards examples of South-South experience, he observed that in Kenya a music CD entitled "I Need to Know" had been produced by a local recording group under the sponsorship of UNFPA. "I Need to Know" which promotes youth reproductive health education and responsible sexual behaviour had become a hit song in Kenya. It had also gained popularity in Nigeria and became the basis for a weekly television series also entitled "I Need to Know". Similarly, the documentary film on the UNFPA-supported literacy and reproductive health programme in Peru had facilitated fund-raising and programme replication in other programme countries. A film made in Côte d'Ivoire, which had won an award in Montreal, Canada, was being used for advocacy and IEC activities in other countries in Africa.

222. The Director noted that the Fund's Special Ambassadors were kept very busy promoting and advocating population and reproductive health and other key concerns of the ICPD Programme of Action. However, there was no duplication in their activities. He observed that UNFPA collaborated with United Nations organizations and agencies and NGOs in the areas of advocacy and IEC. He stated that the manual on operationalizing advocacy had been sent to all UNFPA country offices and advocacy training was provided to UNFPA Representatives. With regard to evaluations, he noted that UNFPA and several foundations had commissioned an evaluation in 1998 of joint advocacy work with European NGOs. Also, UNFPA conducted a European survey in 1997 and supported a survey in the United States of America in 1998 which would be followed-up in a few years to gauge advocacy impact on public opinion. He added that feedback on publications and advocacy brochures was obtained from end users, including Governments and the media. He underscored that in-depth evaluations generally cost more than the original advocacy activities and were not feasible for a small organization with limited financial and human resources. Nevertheless, UNFPA would continue to evaluate, adjust and do the best, with its limited resources, to effectively implement its information and communication strategy.

223. The Executive Board took note of the oral report on the implementation of the UNFPA information and communication strategy.

XVI. OTHER MATTERS

Report on World Trade Organization initiative for least developed countries

224. The Assistant Administrator and Director of the Bureau for Development Policy gave an oral progress report on the activities of UNDP and other co-sponsoring agencies on the initiative to implement the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries. She noted

that globalization and economic liberalization were among the defining trends in today's world. Most countries had adopted measures to liberalize their economies but liberalized trade was not sufficient. In addition, countries must have sound macroeconomic policies and good governance, factors that would allow international trade to be an engine for growth and sustainable human development.

225. UNDP was playing an important role as a co-sponsoring organization of the Integrated Framework by helping to rethink linkage and feedback mechanisms between globalization and sustainable human development. An information note on progress achieved with regard to the goals was distributed. A key achievement was that out of 48 LDCs, 40 had submitted needs assessments, for which integrated responses had been prepared. Moving to the next step, the preparation of multi-year technical assistance programmes, a number of challenges included coordination issues at the national level, including relations between public administration, civil society and the business community, issues of prioritization within national strategies and timing and sequencing of trade liberalization.

226. At the country level, UNDP had initiated preparation of the multi-year technical assistance programmes in Angola, Gambia, Guinea, Haiti, Maldives and Mali. Steps had been taken to enhance cooperation between co-sponsoring agencies through the establishment of a website and exchange of information on best practices, consultants, joint programming and peer reviews. Other activities included an UNCTAD-UNDP workshop in South Africa to prepare positions for the World Trade Organization third ministerial meeting. Several countries had given official notification about actions taken in benefit of trade and increased market access. However, resources were needed to ensure the successful implementation of the Integrated Framework. The Assistant Administrator underlined the need for a fundamental commitment to pursuing the benefits of trade and of recognizing the special needs of the LDCs. If a rule-based multilateral trade system was to succeed, then the next round of negotiations must consider trade and development as intimately linked areas.

227. One delegation, highlighting the importance of the issue, welcomed the role of UNDP. The speaker stated that UNDP should serve mainly as a facilitator, concentrating on coordination among organizations and facilitating the participation of LDCs, a process that seemed to be already in place. It was observed that in some LDCs, trade was not given the attention it deserved, such as in the round-table and Consultative Group processes, where Ministries of Finance took the lead. The speaker noted that her country would give special attention to trade-related cooperation in its bilateral relations with LDCs and encouraged others to do the same.

228. Another delegation thanked UNDP for the information provided and the progress made and welcomed similar briefings in the future.

229. The Assistant Administrator noted that UNDP shared the observation regarding the need for more participation from trade ministries in round-table and Consultative Group meetings, a matter that UNDP and its partners continued to advocate in its discussions with countries.

230. The Executive Board took note of the oral report on the World Trade Organization initiative for least developed countries.

Joint United Nations Programme on HIV/AIDS

231. The oral progress report on the activities of UNAIDS in 1998 as they related to UNDP and UNFPA was postponed to the third regular session 1999.

Closing remarks

232. In her closing statement the Executive Director thanked the Executive Board for its constructive and positive guidance. She noted that UNFPA depended on the counsel and direction of the Board. She reiterated the need for increased resources and was pleased to note that the issue of resources had been a focus of the Board's concerns during the year. She thanked the Board for its efforts towards implementing the multi-year funding framework, which provides an important strategic planning and programming tool. She also thanked the Executive Board members for their kind words and supportive remarks about the importance and effectiveness of the UNFPA programme. She underscored that the Fund's staff, both at headquarters and in the country offices, was very committed and dedicated. She noted that the Board should keep in mind the work load associated with the Executive Board sessions and with other legislative bodies and the multiple reporting requirements that UNFPA had to comply with. Given the Fund's small secretariat and staffing, it was often a great challenge for UNFPA to prepare for the Board sessions. She suggested that no more than two policy papers per year should be requested so as to allow for a better dialogue with the Board, and in order not to take away time from the Fund's programme delivery work.

233. The Executive Director concluded by thanking the President, the Bureau and all members of the Executive Board for an excellent annual session. She thanked the interpreters, the Conference Services staff, all staff in the secretariat, including UNDP colleagues for having ensured that the session flowed smoothly. She expressed her special thanks and appreciation to those members of the Executive Board who were leaving to go to other posts -- Aloisa Wörgetter (Austria), Rolando Bahamondes (Canada), Hans Lundborg (Sweden), Dino Beti (Switzerland) and Shirlee Pinkham (United States of America).

234. The Assistant Administrator and Director of the Bureau for Resources and External Affairs made brief closing remarks and recognized those Executive Board members who would be leaving New York before the following session.

235. The Vice President, Mr. Kwabena Osei-Danquah (Ghana), thanked the Executive Director of UNFPA for her advocacy on behalf of the Fund and for the cooperation of UNFPA before and during the session. He extended the Executive Board's warmest regards to the Administrator and thanked him for all of his support to the Executive Board. He also thanked the Board members and observers, the secretariat, the conference officers and interpreters.

236. The Executive Board concluded its work by adopting the following decision:

99/14. Overview of decisions adopted by the Executive Board at its annual session 1999

The Executive Board,

Recalls that during the annual session 1999 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its annual session 1999 (DP/1999/L.3/Rev.1) as orally amended;

Agreed to the following schedule of future sessions of the Executive Board in 1999 and 2000 subject to the approval of the Committee on Conferences:

Third regular session 1999:	13-17 September 1999
First regular session 2000:	24-28 January 2000
Second regular session 2000:	3-7 April 2000
Annual session 2000:	13-23 June 2000 (Geneva)
Third regular session 2000:	11-15 September 2000

Agreed to the subjects to be discussed at the third regular session 1999 of the Board, as listed in the annex;

Adopted decision 99/8 of 15 June 1999, Expression of appreciation to Mr. James Gustave Speth, Administrator of the United Nations Development Programme, 1993-1999;

UNDP SEGMENT

ITEM 2: ANNUAL REPORT OF THE ADMINISTRATOR

Took note of the annual report of the Administrator for 1998, including the report on the reports of the Joint Inspection Unit, the statistical annex and the review of the global cooperation framework (DP/1999/15; DP/1999/15/Add.1; DP/1999/15/Add.2; DP/1999/CRP.7);

ITEM 3: UNITED NATIONS REFORM

Took note of the report of the Administrator on UNDP and United Nations reform (DP/1999/16);

ITEM 4: EVALUATION

Took note of the report of the Administrator on UNDP evaluation activities (DP/1999/17);

ITEM 5: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Took note of the note by the Administrator on assistance to Myanmar (DP/1999/18);

ITEM 6: INFORMATION AND COMMUNICATION STRATEGY

Adopted decision 99/10 of 22 June 1999 on UNDP corporate communication and advocacy strategy;

ITEM 7: RESOURCE MOBILIZATION

Took note of the interim report on the implications of the funding strategy for UNDP-associated funds and programmes (DP/1999/20);

ITEM 8: TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

Adopted decision 99/11 of 22 June 1999 on technical cooperation among developing countries;

ITEM 9: UNITED NATIONS OFFICE FOR PROJECT SERVICES

Adopted decision 99/12 of 22 June 1999 on the annual report of the Executive Director on the activities of the United Nations Office for Project Services;

Took note of the report of the Executive Director on follow-up to recommendations of the report of the Board of Auditors (DP/1999/24); and requested the Executive Director to provide the Executive Board at its annual session 2000 with an updated overview of the implementation of the recommendations of the Board of Auditors;

Took note of the report of the Executive Director on the report of the Joint Inspection Unit (DP/1999/25);

ITEM 14: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Adopted decision 99/9 of 16 June 1999 on UNDP financial risk management; review of operational reserve;

UNDP/UNFPA SEGMENT

ITEM 10: INTERNAL AUDIT AND OVERSIGHT

Took note of the reports on internal audit and oversight activities of the United Nations Development Programme, the United Nations Office for Project Services and the United Nations Population Fund (DP/1999/23; DP/1999/22/Add.2; DP/FPA/1999/8);

ITEM 15: FIELD VISITS

Took note of the report on the field visit to Brazil (DP/1999/CRP.8);

UNFPA SEGMENT

ITEM 11: REPORT OF THE EXECUTIVE DIRECTOR FOR 1998

Took note of the report of the Executive Director for 1998 on programme priorities, statistical overview, programme effectiveness, regional and interregional overview (DP/FPA/1999/7 (Part I), (Part I/Add.1), (Part II) and (Part III)) with comments made thereon;

ITEM 12: WORK PLAN AND REQUEST FOR PROGRAMME EXPENDITURE AUTHORITY

Adopted decision 99/13 of 22 June 1999 on the UNFPA work plan for 2000-2003 and request for programme expenditure authority;

Took note of the report of the Executive Director on the status of financial implementation of country programmes and projects approved by the Governing Council and the Executive Board (DP/FPA/1999/10);

ITEM 13: INFORMATION AND COMMUNICATION STRATEGY

Took note of the oral report on the implementation of the UNFPA information and communication strategy;

ITEM 16: OTHER MATTERS

Took note of the oral report on the World Trade Organization initiative for least developed countries;

22 June 1999

Annex

DRAFT WORK PLAN
EXECUTIVE BOARD OF UNDP/UNFPA
THIRD REGULAR SESSION 1999
(13-17 SEPTEMBER 1999)

DAY/DATE	TIME	ITEM	ACTION/ INFO	SUBJECT
MONDAY 13 SEPT	A.M.	1	A	Organizational matters: Agenda for the session, reports on the second regular session and annual session 1999, list of items to be taken up in 2000.
		2		UNDP segment
				UNDP: Financial, budgetary and administrative matters
			A	- Multi-year funding framework, 2000-2003
			A	- Budget estimates for the biennium 2000-2001
			A	- Annual review of the financial situation, 1998
			I	- Review and revision of UNDP Financial Regulations and Rules
			I	- 1998 annual statistical report, including procurement of goods and services
			I	- Information on the United Nations system technical cooperation expenditures 1998
			I	- Information on the United Nations system technical cooperation expenditures 1998: explanatory notes
	P.M.	2		UNDP: Financial, budgetary and administrative matters (continued)
TUESDAY 14 SEPT	A.M.	2		UNDP: Financial, budgetary and administrative matters (continued)

DAY/DATE	TIME	ITEM	ACTION/ INFO	SUBJECT
TUESDAY 14 SEPT	P.M.			UNFPA segment
		6		UNFPA: Financial, budgetary and administrative matters
			A	- Biennial support budget
			A	- Annual financial review, 1998
WEDNESDAY 15 SEPT	A.M.	6		UNFPA: Financial, budgetary and administrative matters (continued)
	P.M.	5		UNOPS: Financial, budgetary and administrative matters
			A	- Revised budget estimates for the biennium 1999-2000 and budget estimates for the biennium 2000-2001
			A	- Appropriateness of the operational reserve (97/21)
			I	- ACABQ report on UNOPS
			A	- Responsibility of UNOPS for personnel matters (99/12)
THURSDAY 16 SEPT	A.M.	4		Special funds and programmes
			A	- United Nations Capital Development Fund (97/8)
	P.M.	7		UNFPA: Technical support services
			A	- TSS future options (98/6)
FRIDAY 17 SEPT	A.M.	3	A	UNDP: Country cooperation frameworks and related matters
	P.M.	8	A	UNFPA: Country programmes and related matters
		9	I	Other matters